JANUARY 1954

NOTES OF THE MONTH

The Sudan Elections;
Federal Elections in Central Africa;
An Arab Comment on Egyptian Policy

THE TRIESTE DISPUTE

EAST-WEST TRADE

THE 'NEW LINE' IN BULGARIA

FEDERAL FINANCE IN SWITZERLAND

THE WORLD TODAY

Volume 10 *No.* 1 *January* 1954

CONTENTS

Founded in 1924 as the *Bulletin of International News*, THE WORLD TODAY and the CHRONOLOGY OF INTERNATIONAL EVENTS (see below) are issued from the Information Department of the Royal Institute of International Affairs, Chatham House, 10 St James's Square, London, S.W.1.

Telephone: Whitehall 2233

Editor of *The World Today:* MURIEL GRINDROD

ANNUAL SUBSCRIPTION RATES
including postage inland and overseas

THE WORLD TODAY (12 *issues a year*)	25*s.*
CHRONOLOGY OF INTERNATIONAL EVENTS (24 *issues a year and index*)	25*s.*

Orders may be sent to booksellers and newsagents or to the Royal Institute of International Affairs. For addresses of agents in the United States and Commonwealth, see inside of back cover.

• • •

The Royal Institute of International Affairs is an unofficial and non-political body, founded in 1920 to encourage and facilitate the scientific study of international questions. The Institute is precluded by the terms of its Royal Charter from expressing an opinion on any aspect of international affairs. Any views expressed in this publication are, therefore, purely individual.

THE WORLD TODAY

Volume 10 *No.* 2 February 1954

CONTENTS

Founded in 1924 as the *Bulletin of International News*, THE WORLD TODAY and the CHRONOLOGY OF INTERNATIONAL EVENTS (see below) are issued from the Information Department of the Royal Institute of International Affairs, Chatham House, 10 St James's Square, London, S.W.1.
Telephone: Whitehall 2233

Editor of *The World Today:* MURIEL GRINDROD

ANNUAL SUBSCRIPTION RATES
including postage inland and overseas

THE WORLD TODAY (12 *issues a year*)	25*s*.
CHRONOLOGY OF INTERNATIONAL EVENTS (24 *issues a year and index*)	25*s*.

Orders may be sent to booksellers and newsagents or to the Royal Institute of International Affairs. For addresses of agents in the United States and Commonwealth, see inside of back cover.

• • •

THE WORLD TODAY

Volume 10 *No.* 3 *March* 1954

CONTENTS

Founded in 1924 as the *Bulletin of International News*, THE WORLD TODA[Y] and the CHRONOLOGY OF INTERNATIONAL EVENTS (see below) are issued fro[m] the Information Department of the Royal Institute of International Affairs Chatham House, 10 St James's Square, London, S.W.1.
Telephone: Whitehall 2233

Editor of *The World Today:* MURIEL GRINDROD

ANNUAL SUBSCRIPTION RATES
including postage inland and overseas

THE WORLD TODAY (*12 issues a year*) 25*s.*
CHRONOLOGY OF INTERNATIONAL EVENTS
(*24 issues a year and index*) 25*s.*

Orders may be sent to booksellers and newsagents or to the Royal Institute of International Affairs. For addresses of agents in the United States and Commonwealth, see inside of back cover.

• • •

ERRATUM

In the article on 'Franco's Foreign Policy' (*The World Today*, December 1953), on p. 520, last line, it was incorrectly stated that the exiled Spanish Republican Government was at present in Mexico. This Government, headed by Sr Félix Gordón Ordás, in fact has its headquarters in Paris (Avenue Foch 35), where it is operating with the aid of voluntary contributions.

THE WORLD TODAY

Volume 10 *No.* 4 *April* 1954

CONTENTS

Founded in 1924 as the *Bulletin of International News*, THE WORLD TODAY and the CHRONOLOGY OF INTERNATIONAL EVENTS (see below) are issued from the Information Department of the Royal Institute of International Affairs, Chatham House, 10 St James's Square, London, S.W.1.
Telephone: Whitehall 2233

Editor of *The World Today:* MURIEL GRINDROD

ANNUAL SUBSCRIPTION RATES
including postage inland and overseas

THE WORLD TODAY (12 *issues a year*)	25*s*.
CHRONOLOGY OF INTERNATIONAL EVENTS (24 *issues a year and index*)	25*s*.

Orders may be sent to booksellers and newsagents or to the Royal Institute of International Affairs. For addresses of agents in the United States and Commonwealth, see inside of back cover.

* * *

CHATHAM HOUSE
INFORMATION DEPARTMENT
MEMORANDA

In the course of its work, the Information Department of Chatham House from time to time prepares short factual memoranda. Orders for these memoranda, which are mimeographed, **must be sent direct** to the Information Department, Royal Institute of International Affairs, Chatham House, 10 St James's Square, London, S.W.1, **accompanied by the exact payment.**

Title	*Date of Completion*	*Price*
THE BELGIAN CONGO: Economic Background Note	21 Nov. 1953	6d.
BRITISH CARIBBEAN: Political and Economic Notes: Introduction, Barbados, British Guiana, British Honduras, Jamaica, Leeward Islands, Trinidad and Tobago, Windward Islands	1 Dec. 1953	2s. od.
ECUADOR: A Background Note	5 Oct. 1953	1s. od.
ETHIOPIA: A Background Note	18 Dec. 1953	9d.
GENERAL AGREEMENT ON TARIFFS AND TRADE (GATT): A Background Note	Feb. 1954	6d.
NEW ZEALAND: A Background Note	8 Jan. 1953	1s. od.
ORGANIZATION FOR EUROPEAN ECONOMIC CO-OPERATION (OEEC): Basic Information	24 Nov. 1953	6d.
PERU: A Background Note	6 Oct. 1953	1s. od.
THE PROBLEM OF TRIESTE: A Brief Survey (with map)	30 Nov. 1953	1s. 6d.
TURKEY: A Background Note	15 Sept. 1953	1s. od.

THE WORLD TODAY

***Volume* 10 *No.* 5 May 1954**

CONTENTS

Founded in 1924 as the *Bulletin of International News*, THE WORLD TODAY and the CHRONOLOGY OF INTERNATIONAL EVENTS (see below) are issued from the Information Department of the Royal Institute of International Affairs Chatham House, 10 St James's Square, London, S.W.1

Telephone: Whitehall 2233

Editor of *The World Today:* MURIEL GRINDROD

ANNUAL SUBSCRIPTION RATES
including postage inland and overseas

THE WORLD TODAY (12 *issues a year*)	25*s*.
CHRONOLOGY OF INTERNATIONAL EVENTS (24 *issues a year and index*)	25*s*.

Orders may be sent to booksellers and newsagents or to the Royal Institute of International Affairs. For addresses of agents in the United States and Commonwealth, see inside of back cover.

* * *

The Royal Institute of International Affairs is an unofficial and non-political body, founded in 1920 to encourage and facilitate the scientific study of international questions. The Institute is precluded by the terms of its Royal Charter from expressing an opinion on any aspect of international affairs. Any views expressed in this

THE WORLD TODAY

Volume 10 *No.* 6 *June* 1954

CONTENTS

Founded in 1924 as the *Bulletin of International News*, THE WORLD TODAY and the CHRONOLOGY OF INTERNATIONAL EVENTS (see below) are issued from the Information Department of the Royal Institute of International Affairs, Chatham House, 10 St James's Square, London, S.W.1.
Telephone: Whitehall 2233

Editor of *The World Today:* MURIEL GRINDROD

ANNUAL SUBSCRIPTION RATES
including postage inland and overseas

THE WORLD TODAY (12 *issues a year*) 25*s.*
CHRONOLOGY OF INTERNATIONAL EVENTS
(24 *issues a year and index*) 25*s.*

Orders may be sent to booksellers and newsagents or to the Royal Institute of International Affairs. For addresses of agents in the United States and Commonwealth, see inside of back cover.

* * *

THE WORLD TODAY

Volume 10 *No.* 7 July 1954

CONTENTS

Founded in 1924 as the *Bulletin of International News*, THE WORLD TODAY and the CHRONOLOGY OF INTERNATIONAL EVENTS (see below) are issued from the Information Department of the Royal Institute of International Affairs, Chatham House, 10 St James's Square, London, S.W.1.

Telephone: Whitehall 2233

Editor of *The World Today*: MURIEL GRINDROD

ANNUAL SUBSCRIPTION RATES

including postage inland and overseas

THE WORLD TODAY (12 *issues a year*) 25*s*.

CHRONOLOGY OF INTERNATIONAL EVENTS
(24 *issues a year and index*) 25*s*.

Orders may be sent to booksellers and newsagents or to the Royal Institute of International Affairs. For addresses of agents in the United States and Commonwealth, see inside of back cover.

* * *

THE WORLD TODAY

Volume 10 *No.* 8 *August* 1954

CONTENTS

Founded in 1924 as the *Bulletin of International News*, THE WORLD TODAY and the CHRONOLOGY OF INTERNATIONAL EVENTS (see below) are issued from the Information Department of the Royal Institute of International Affairs, Chatham House, 10 St James's Square, London, S.W.1.
Telephone: Whitehall 2233

Editor of *The World Today:* MURIEL GRINDROD

ANNUAL SUBSCRIPTION RATES
including postage inland and overseas

THE WORLD TODAY (12 *issues a year*) 25*s.*
CHRONOLOGY OF INTERNATIONAL EVENTS
(24 *issues a year and index*) 25*s.*

Orders may be sent to booksellers and newsagents or to the Royal Institute of International Affairs. For addresses of agents in the United States and Commonwealth, see inside of back cover.

* * *

THE WORLD TODAY

Volume 10 *No.* 9 Septe[illegible]

CONTENTS

Founded in 1924 as the *Bulletin of International News*, THE WORLD TODAY and the CHRONOLOGY OF INTERNATIONAL EVENTS (see below) are issued from the Information Department of the Royal Institute of International Affairs, Chatham House, 10 St James's Square, London, S.W.1.

Telephone: Whitehall 2233

Editor of *The World Today:* MURIEL GRINDROD

ANNUAL SUBSCRIPTION RATES

including postage inland and overseas

THE WORLD TODAY (12 *issues a year*) 25*s.*

CHRONOLOGY OF INTERNATIONAL EVENTS (24 *issues a year and index*) 25*s.*

Orders may be sent to booksellers and newsagents or to the Royal Institute of International Affairs. For addresses of agents in the United States and Commonwealth, see inside of back cover.

• • •

BOLIVIA

By Harold Osborne — 12s. 6d.

BRAZIL

By J. A. Camacho — 11s. 6d.
Revised edition ready shortly

CHILE

By Gilbert J. Butland — 12s. 6d.
Revised edition

COLOMBIA

By W. O. Galbraith — 13s. 6d.

ECUADOR

By Lilo Linke — 13s. 6d.

PARAGUAY

By George Pendle — 10s. 6d.

URUGUAY

By George Pendle — 11s. 6d.

All prices are net

ROYAL INSTITUTE OF INTERNATIONAL AFFAIRS
London · Chatham House, 10 St James's Square, S.W.1
New York: 345 East 46th Street, New York 17, N.Y.

THE WORLD TODAY

Volume 10 *No.* 10 *October* 1954

CONTENTS

Founded in 1924 as the *Bulletin of International News*, THE WORLD TODAY and the CHRONOLOGY OF INTERNATIONAL EVENTS (see below) are issued from the Information Department of the Royal Institute of International Affairs, Chatham House, 10 St James's Square, London, S.W.1.

Telephone: Whitehall 2233

Editor of *The World Today:* MURIEL GRINDROD

ANNUAL SUBSCRIPTION RATES
including postage inland and overseas

THE WORLD TODAY (12 *issues a year*)	25*s*.
CHRONOLOGY OF INTERNATIONAL EVENTS (24 *issues a year and index*)	25*s*.

Orders may be sent to booksellers and newsagents or to the Royal Institute of International Affairs. For addresses of agents in the United States and Commonwealth, see inside of back cover.

• • •

THE WORLD TODAY

Volume 10 *No.* 11 *November* 1954

CONTENTS

Founded in 1924 as the *Bulletin of International News*, THE WORLD TODAY and the CHRONOLOGY OF INTERNATIONAL EVENTS (see below) are issued from the Information Department of the Royal Institute of International Affairs, Chatham House, 10 St James's Square, London, S W 1
Telephone: Whitehall 2233

Editor of *The World Today:* MURIEL GRINDROD

ANNUAL SUBSCRIPTION RATES
including postage inland and overseas

THE WORLD TODAY (*12 issues a year*) 25*s*.
CHRONOLOGY OF INTERNATIONAL EVENTS
(*24 issues a year and index*) 25*s*.

Orders may be sent to booksellers and newsagents or to the Royal Institute of International Affairs. For addresses of agents in the United States and Commonwealth, see inside of back cover.

* * *

THE WORLD TODAY

Volume 10 *No.* 1 *January* 1954

*

Notes of the Month

The Sudan Elections

AT the St Andrew's Day Dinner in Khartoum on 30 November Sir Robert Howe, Governor-General of the Sudan, said in his speech: 'We should look upon the period of self-government now before us, not as the ending of all our work and effort in this country, but as a new beginning, which marks, not the decline of our power, but the fulfilment of our whole purpose. This is no time for lamenting; we must look to the future of this country and do our utmost in the time that is left to help in forming the new nation'.

The elections for the Sudan Legislative Assembly, which is to consist of a House of Representatives numbering 97, and a Senate of 50, took place without incident between 2 November and December. The arrangements for these complicated processes had been very competently directed by an international Electoral Commission under the chairmanship of an Indian, Mr Sukumar Sen, though the atmosphere had been clouded by the flood of Egyptian propaganda on behalf of the Nationalist Unity Party, which was an uneasy coalition of groups ostensibly favouring some form of union with Egypt. The result was an overwhelming victory for the N.U.P. with 50 seats in the Lower House and 21 of the 30 elected seats in the Senate. The twenty remaining Senators will be appointed by the Governor-General. The Umma Party, which stood for Independence, secured only 23 seats in the Lower House and 4 seats in the Senate.

The majority of British newspapers and journals described this as a defeat for Great Britain and as a vote against the British elements in the Sudan administrative services; General Nagib was jubilant. But it soon became clear that it was nothing of the sort; the cleavage in the Northern Sudan was sectarian, and Sayed

Ali El Mirghani and his followers of the Khatmia (orthodox) *tariqa* had voted solidly against the Independence parties because of their association with Sayed Abdul Rahman El Mahdi and his *Ansar* (followers of the Mahdi). The bogey of a Mahdist monarchy had again been put up as a cock-shy, and the Sudan as a whole, with the exception of Darfur, Kordofan, and certain *ansar* areas in the Blue Nile Province, had united to knock it down. Correspondents have not mentioned in what direction the influence of the descendants of the Khalifa Abdullahi was exerted; it was he who ruled the Sudan from the Mahdi's death in 1885 until the battle of Omdurman in 1898 and this family is not without influence and ambitions.

A scrutiny of the names of candidates elected to both Houses shows a high percentage of sound men who have some experience of administration and local government; only one with the significant label 'Anti-Imperialist Front' was successful, though there is a small group in both Houses which often describes itself as 'progressive'. The member elected as Prime Minister will have the task of forming a Sudanese Cabinet of not less than ten or more than fifteen members. Ismail El Azhari, President of the N.U.P., expects to occupy this position; he is a grandson of Sayed Ismail El Azhari, C.B.E., C.V.O., once Mufti of the Sudan. He was educated at Beirut University and served for twenty-five years in the Sudan Ministry of Education.

Under the Anglo-Egyptian Agreement of 12 February 1953 the Sudan now enters the transitional stage of self-government, which is to end in self-determination (independence or union with Egypt) after a period of three years or less, provided that the terms of the Agreement have been fulfilled. These include the Sudanization of the army, police, and administration, and grave fears have been expressed about the future of the British officials serving in the Sudan. Their position is to be safeguarded by a Public Service Commission, and the process of Sudanization is to be controlled by an international Sudanization Committee. The Governor-General is to be assisted by an international Governor-General's Commission which is already in being under a Pakistani chairman, Sayed Zia' ud Din.

The other main anxiety has been about the Southern Sudan, but if the Sudan Civil Service is protected by the Public Service Commission from political interference, and if the present decentralized provincial administrations and local governments

continue as before, there is no reason why the southerners should notice much change. There is a real danger of a breakdown in the administrative and technical services throughout the country if too many of the British officials and experts were to resign in the face of nationalist persecution and Egyptian obloquy.

The Sudanese have undoubtedly shown their stability by their conduct in the elections, and the vital factor for their economy, which rests almost entirely on exports of high-grade cotton, is that Egypt by a too possessive attitude should not risk alienating the new Sudanese Government or the mass of the Sudanese people, since this would prejudice co-operation in the essential projects for Nile control on which the future prosperity of the two countries depends.

Federal Elections in Central Africa

The overwhelming victory of Sir Godfrey Huggins' Federal Party throughout the Rhodesias and Nyasaland has exceeded all expectations. Nobody seriously feared that the Confederate Party would gain a majority, a result which would have destroyed the very pillars of the new Constitution, but if even a substantial minority of seats had been filled by members dedicated to racial segregation the prospects of convincing African opinion of the reality and permanence of the declared policy of 'partnership' would have been seriously jeopardized. As it is, the white population throughout the Federation, and notably the predominantly South African population on the Copperbelt, has given the clearest proof of its determination to build the new State on liberal foundations. This should do much to reassure African opinion which, while it awaits anxiously the outcome of the negotiations intended gradually to eliminate the industrial colour-bar in the copper mines, seems already to be less fearful than it was. Sir Godfrey Huggins urged that the racial issue should be kept out of these first elections; he may now be feeling rather glad that it was not. He now knows with certainty that on this crucial issue the electorate is behind him, and he is free to shape a policy which will unite all sections of the people in the building of a new nation.

An Arab Comment on Egyptian Policy

AT the beginning of December the Egyptian press gave great publicity to reports that the Vice-President of the Revolutionary Council (the young Lieut.-Colonel Gamal 'Abd un-Nasir,

reputed to be the strong man of the military junta of whic General Nagib is the popular figurehead) had ordered the Egyptia Ambassador in Washington to inform the U.S. Secretary of Stat that unless his Government induced the British Government t satisfy Egypt's demands concerning the Canal Zone, Egypt woul 'officially announce a policy of complete neutrality between Eas and West'.[1]

Such a policy has had its advocates since the very beginning o the Cold War and was the avowed intention of the military junt before their revolutionary *coup* in 1952.[2] It is not the intention her to assess the seriousness with which this challenge has now bee presented to the Western allies. 'I wants to make yer flesh creep has long been a favourite technique of the political extremist, an not least in Egypt. But while it is not possible to make a reliabl diagnosis of the present state of the undulant fever of Egypt' political problems except in Egypt itself, it may be of interest t draw attention to an important leading article which appeared i *L'Orient*, the principal French-language daily newspaper o Beirut, on 11 December. It must be pointed out that, to perpetrat an Irish bull, *L'Orient*'s orientation is distinctly westward—not however, to London and Washington so much as towards Pari and the Vatican. *L'Orient* fervently advocates the maintenance o an independent Lebanon, with its population delicately balance between Christian and Muslim—or Muslim and Christian, sinc no one knows who has the majority and successive Government have avoided holding a census for this very reason. While advocat ing the closest of relations with the rest of the Arab world *L'Orient* opposes the total identification of Lebanon with tha world, and in particular with Muslim Syria whose presen authoritarian Government affects not to recognize the existence o a sovereign Lebanon. For these reasons *L'Orient*'s comments o the Egyptian attitude are not typical of the Arab press as a whol outside Egypt; but they nevertheless represent a viewpoint whic may be actually nearer to that of some Arab Governments tha are the expressions of their more effervescent press and publi opinion.

After some preliminary remarks, *L'Orient* writes:

It is not our business to discuss Colonel 'Abd un-Nasir's decisio

[1]*Akhbar ul-Yawm*, 5 December 1953.

[2]See *Great Britain and Egypt, 1914-1951* (R.I.I.A., Information Papers No 19), pp. 87-88, 122; *International Affairs*, October 1953, p. 518 (review of *Th Military Coup in Egypt*, by Rashed el-Barawy).

from the Egyptian standpoint. The Cairo Government is the only judge of Egypt's interests... But we cannot help recalling that it is for Egypt, and for Egypt alone, that the majority of the States of the Arab League have for three years followed a consistently non-committal policy (*un attentisme obstiné*) in their foreign relations. It is for Egypt, and for Egypt alone, that Lebanon and Syria, and even to a lesser extent Jordan and Iraq, are turning their backs on Britain.

It is for Egypt, and for Egypt alone, that Lebanon, Syria, and Jordan, who have common frontiers with the Jewish State [*sic*], *have refrained from seeking from the Western Powers firm guarantees against the dangerous pressure of Israeli irredentism.*[1]

Now, without taking account of the special interests of Lebanon, Syria, and Jordan, and without even taking the trouble to inform the Arab League, the Cairo Government is turning towards neutralism and claims to be committing the rest of the Arab States by its spectacular initiative....[2]

Colonel 'Abd un-Nasir's initiative may have important repercussions upon the Arab world. Already last March, the Iraqi and Jordan Governments, tired of waiting upon the course of Anglo-Egyptian negotiations, showed a tendency to free themselves from the constraints of the Arab League and conclude bilateral agreements with the Western Powers to settle the Palestine affair and the organizing of Middle East defence. The Arab bloc threatened to break up; and it needed the personal intervention of the President of the Lebanese Republic to avert a rupture...

Today the situation seems to us even more delicate. If Egypt insists on a policy of neutralism, she will probably do so alone. Iraq, Jordan, and Sa'udi Arabia will not follow. Lebanon and Syria will give the matter long consideration before reaching a decision.

[1]This paragraph in capitals in the original.

[2]The Egyptian Secretary-General of the Arab League told reporters at the United Nations headquarters in New York City on 10 December that pan-Arab public opinion supported the Egyptian move—which was probably true of those emotional surges which pass for public opinion in the Arab cities.

The Trieste Dispute

A SITUATION which has far outlasted its anticipated term is liable to come to an end in one of two ways: either gradually, from inanition; or violently, by explosion. In the eight and more years during which Trieste has constituted a 'situation' many people who were not following the question closely may well have imagined that a solution might come about through a gradual acceptance of the existing position. A moment's thought, however, would show that the existing position could not be perpetuated without the sorting-out of various legal tangles. Such a view, moreover, would leave out of count the most potent factor of all—the attitudes of the two main protagonists, Italy and Yugoslavia. Given the consistent strength of feeling maintained on both sides concerning this disputed border territory, it is not surprising that an explosion has come at last.

ORIGINS OF THE DISPUTE

To understand what has caused this explosion, it is necessary to recapitulate briefly how the dispute came into being. Trieste and the surrounding country has throughout its history suffered the typical vicissitudes of a border region with a mixed population. Latterly, however, the town and the whole Istrian peninsula in which it lies formed part of the Austro-Hungarian Empire, for which Trieste became the chief port. Owing to the proximity of Italy and the influence of the Venetian Republic the population of Trieste and the other coastal towns on the west of the Istrian peninsula was largely Italian, while the hinterland was predominantly Slovene.

By 1870 the aim of the Risorgimento to unite all Italian-speaking territories into a single kingdom was practically realized except for Trieste and the surrounding region (known as Venezia Giulia[1]) and the Trentino, both of which consequently became focal points for Italian irredentism. After the break-up of the Austro-Hungarian Empire at the end of the first world war, Italy obtained both regions as a result of promises made in the Secret Treaty of London of 1915. Her claim to Venezia Giulia was contested by the newly formed Successor State of Yugoslavia, but

[1] The name Venezia Giulia (Julijska Krajina), derived from the Julian Alps which border the region on the north-east, was given to the provinces of Trieste, Gorizia, Pola, and Carnero ceded to Italy after the 1914–18 war.

her sovereignty was established under the terms of the Treaties of Saint Germain and Rapallo.

From the point of view of Italy's consolidation in Venezia Giulia the two Fascist decades proved disastrous. Fascist nationalistic policy soon disregarded the pledges given as to the liberal treatment of the Slovene and Croat minorities, and the oppressive regime left a memory which is behind much of the violence of Yugoslav propaganda today.

After the Italian armistice of September 1943, the Germans took over control of Venezia Giulia. Tito's Yugoslav partisan bands fought in conjunction with Italian partisans in the frontier area. In the closing days of April 1945 the Yugoslav IX Corps occupied Trieste, and were found there when on 2 May 1945 the New Zealand Second Division entered the city. For some weeks after the cessation of hostilities the Yugoslavs and their local Communist allies ruled Trieste and established their own form of local government there. Eventually an agreement was reached between the British and Yugoslav generals on the spot, establishing a line—the so-called 'Morgan Line'—behind which Yugoslav troops withdrew, and dividing the area round Trieste into two zones of British-United States and Yugoslav occupation. Those zones correspond to the present Zones A and B of the Free Territory.

The decision concerning Venezia Giulia proved the most intractable of the problems which the Italian Peace Treaty had to settle. It was eventually decided that of this formerly Italian territory Italy should retain only the region of the Lower Isonzo, including the towns of Gorizia and Monfalcone, while all the rest was ceded to Yugoslavia except for the coastal areas corresponding to Zones A and B (stretching from Duino to Città Nuova, and including Trieste), which were to form a Free Territory under a Governor appointed by the United Nations. Till the Governor was appointed and the Free Territory's Statute came into force, the two zones were to remain under U.K.-U.S. and Yugoslav occupation respectively.[1] This is the situation which, originally envisaged as lasting for a few weeks or months at most, still persists today.

[1] Zone A, under British-U.S. occupation, has an area of 86 square miles and a population of 309,500—Italians 246,500, Slovenes 63,000 (1949 estimates). Zone B, under Yugoslav occupation, with an area of 199 square miles, has a population of 73,500 (latest estimate 1940), in the past estimated at about half Italian and half Slovene, but the number of Slovenes probably now exceeds that of Italians, given some presumable infiltration from Yugoslavia and the exodus of refugees to Italy.

FAILURE OF THE FREE TERRITORY SOLUTION

For the Free Territory, quite apart from the doubts felt from the beginning as to its workability (it was only adopted as a *pis aller* out of a difficult impasse), has never come into being through the inability of the four great Powers to agree on a Governor; and the agreement of those Powers, as permanent members of the Security Council, was essential.

Looking back now over the intervening years, it may seem that the efforts to reach agreement on a Governor were abandoned relatively early in the proceedings. But the search, begun in 1946, while the treaty was still being drafted, was in fact only given up as hopeless in 1948. In the meantime the U.S.S.R. had consistently turned down all the candidates suggested by the other Powers, while the Western Powers also rejected the names proposed by Russia. Looking back, once again, it can now be seen that wider considerations besides the qualifications of the candidates probably came into play on both sides, if at different stages. For example, Allied readiness to evacuate Zone A may well have diminished as the prospects of a peace treaty with Austria receded.

Certainly some such explanation would seem to account for the variations in the Soviet attitude on this question. In the early days, while Yugoslavia was still in the Cominform, Russia had no particular interest in hastening the Free Territory solution unless she could be assured of a Governor sympathetic to Slav aspirations. On the other hand, once Yugoslavia had left the Eastern camp, it was presumably to Russia's interest to end the existing situation of Allied occupation of Zone A; the fragile Free Territory might then be used as a valuable listening post for Cominform propaganda alike towards Yugoslavia and towards Italy. Hence we find Soviet opposition to the appointment of a Governor abruptly ceasing after mid-1948, and since then the Communist line on the Trieste question has consistently been 'adherence to the terms of the Peace Treaty'. In February 1949 Mr Malik, the Soviet representative, even put before the Security Council the name of a Swiss candidate, Colonel Hermann Flueckiger, who had already been proposed by the U.K. in September 1947 and then rejected by the U.S.S.R.; and Colonel Flueckiger's candidature was again revived by the U.S.S.R. during the latest phase of the dispute this autumn.

The Western Powers, on the other hand, had by early in 1948 come to feel that the Free Territory solution was impracticable,

not only because of Soviet initial intransigence concerning the Governor, but also, and more cogently, because of conditions in the two zones themselves. It must here be recalled that under the terms of the Peace Treaty the occupying Powers in the two zones were to act purely as caretaker administrators; Italian sovereignty in the zones was in abeyance, but had not been formally ceded and existing (i.e. Italian) laws were to remain in force until specifically amended or superseded. This is what has happened in Zone A, and the various agreements or regulations made at different times providing for finance from Italy or giving increased responsibility to Italian officials all come within the legal framework of the Peace Treaty, and have been recognized as such by the U.N. Security Council, despite Yugoslav attempts to point to violations. In Zone B, however, from an early stage, the Yugoslavs introduced various administrative, legal, fiscal, and economic modifications, all tending towards making the zone uniform with Yugoslavia.[1]

THE TRIPARTITE DECLARATION OF 20 MARCH 1948

In view of this situation, the British, United States, and French Governments on 20 March 1948 issued their now celebrated declaration recommending that the whole Free Territory should be returned to Italian sovereignty. The declaration stated that there was sufficient evidence to show that 'the character of the Yugoslav Zone has been completely transformed and that the Zone has virtually been incorporated into Yugoslavia'. It also recalled that during discussions of the Italian Peace Treaty 'it was the clear position of the U.S., U.K., and French representatives that Trieste—the great majority of which is Italian—should remain an Italian city'.

This declaration could not, of course, without Soviet approval have any force beyond that of a strong recommendation; and the Soviet Government uncompromisingly rejected the proposal on 13 April 1948. Yugoslavia, too, on 22 March, energetically protested against it, blaming the Western Governments for having 'so acted as to prevent the conclusion of a direct agreement between Italy and Yugoslavia.' But to Italy the declaration, coming as it did shortly before the General Election of 18 April 1948, held out

[1] On 30 October 1952 the Italian Government, in a Note to Yugoslavia proposed that both countries should agree to submit the question of these alleged contraventions of the Peace Treaty to the Hague Court. Yugoslavia rejected this proposal.

hopes that the whole Free Territory might be saved; and an almost legal significance has been attached to it ever since, particularly as it was reconfirmed in March 1951 during Signor De Gasperi's and Count Sforza's visit to London and has never till recently been officially called into question.

At the same time it was obvious that Yugoslavia's exit from the Cominform three months later (on 28 June 1948) put a different complexion on the whole question. Moreover in the gradually developing system of N.A.T.O. defence Trieste was plainly a weak spot. True, Italy was a member of N.A.T.O. and as such her interests had still to be considered; but Yugoslavia, the more uncertain quantity, had also now to be regarded as a potential ally in Western defence schemes. From then onwards it became increasingly important to find a solution for the Trieste question which was proving a stumbling block between these two Mediterranean countries.

THE ECONOMIC ASPECT

If the impasse now reached was one of international politics and adjustments, the question also had an economic aspect of considerable importance to the Triestini themselves.[1] Here the city and port of Trieste are of course the key point—for the disputed hinterland in Zone A, and the whole of Zone B, consist of agricultural or fishing communities and contain no large industrial centre.

The economic significance of Trieste itself has altered considerably with the changes in its political situation and in that of its hinterland. Its most flourishing period was under the Austro-Hungarian Empire, which since the days of Maria Theresa had developed the Free Port (proclaimed in 1719) to serve the whole hinterland. Trieste became the centre of an extensive entrepôt traffic and of the banking, brokerage, merchanting, and insurance activities that went with it. The collapse of the Empire after the first world war came near to spelling ruin for Trieste. The Adriatic tariff leagues were dissolved and replaced by regional tariffs, while at the same time there was increasing competition to face from the North German ports. To compensate for the decline in the port's activity, the Italian Government during the inter-war period developed new industries (including important oil refineries)

[1] For a more detailed survey of the economic aspect see 'Trieste's New Role in Europe', in *The World Today*, November 1949.

in Trieste which were largely successful in bringing increased trade.

After the second world war Trieste had once again to build up her economy anew—and, once again, in very different circumstances. As a result of Cominform policy trade over Trieste from the hinterland countries dropped to a very low level. This was compensated for by the great increase in traffic to Austria from 1948 onwards through E.R.P. shipments for that country. Total traffic over the port in 1951 in fact surpassed the pre-war peak figure, reaching 6,613,015 tons. Under A.M.G. the city's existing industries have been developed and new ones started, often with financial help from Italy, and a new industrial zone has been built up in the suburb of Zaule. But while permanent prosperity must hinge on the hypothetical question of whether traffic from the wider hinterland can one day be revived, in present conditions Trieste must remain largely dependent on Italy for raw materials for her industries, and even to a great extent for food. This point was repeatedly stressed by the then Zone Commander, Major-General T. S. Airey, in his reports to the Security Council between 1947 and 1950.[1] Apart from Italian financial aid to Triestine industry already mentioned, Italy has each year made up the Trieste Budget deficit. Trieste has also received E.R.P. and later M.S.A. aid to a total of $31·8 million.

Thus Trieste's present economic dependence on Italy seems plain. On the other hand, it has to be remembered that Italy possesses many other ports well equipped to deal with international traffic, and were Trieste to come completely under Italian control a good deal of conscious planning would be needed to ensure the port's prosperity. Yugoslavia's need for another large port so near to Fiume (Rijeka) may also be questioned. Much of that country's own trade has since the war been directed towards the Dalmatian ports, thus leaving Fiume, with its expanded equipment and low tariffs, free for international traffic. Because of those low tariffs Trieste would find competition with Fiume a serious matter.

A PERIOD OF PAUSE, MID-1948 TO MID-1953

The years after 1948 witnessed a gradual strengthening of Yugoslavia's position. After November 1951 she received military

[1] *Reports of the Administration of the British-United States Zone of the Free Territory of Trieste*, by Major-General T. S. Airey. Eleven reports to date (quarterly from September–December 1947 to December 1949, then annually). Latest report, for 1951, by General Winterton, issued on 30 September 1952, as U.N. Security Council Document S/2794.

aid from the U.S.A. under M.S.A. In September 1952 Mr Eden visited Yugoslavia, and President Tito came to Britain in March 1953. On 28 February 1953 Yugoslavia joined in the Balkan defence alliance with Greece and Turkey. Zone B was by this time virtually incorporated in Yugoslavia; the dinar had been introduced as local currency in 1949, customs barriers between Zone B and Yugoslavia had been abolished, and local elections, held in 1950, had shown an overwhelming majority for the Communist (pro-Yugoslav) Popular Front. On 25 February 1952 President Tito proposed a new solution of the Trieste question—that the Territory should be placed either under a joint Italo-Yugoslav condominium or under a neutral Governor. Signor De Gasperi rejected this proposal.

In Italy, in the meantime, the Tripartite Declaration continued to be the basis of Italian policy regarding the Free Territory; and if in responsible circles there was a growing realization that it would be difficult in the changed circumstances for the Western Powers to implement it in full, this doubt never emerged in official pronouncements. From April 1950 onwards both Count Sforza and Signor De Gasperi periodically made mention of an ethnic solution as the best possibility for settling the Trieste question, and some attempts were made between 1951 and mid-1952 to reach a settlement by direct negotiation on these lines; but without success.

In Zone A, the prosperity of the port of Trieste was gradually being restored. But dissatisfaction at the failure to implement the Tripartite Declaration resulted in riots on its anniversary in March 1952, and adjustments were subsequently made by agreement between the occupying Powers and Italy, providing for increased Italian participation in local administration. Local elections held in Zone A in 1952 still showed a considerable majority for the pro-Italian parties, though the parties favouring an autonomist solution nearly doubled their 1949 vote.

THE RENEWAL OF TENSION

Trieste was not a major issue in the Italian General Election of June 1953. But that election can be seen in retrospect as a landmark and precursor of the situation which was soon to develop. The Christian Democrats and other democratic parties emerged from it considerably weakened, and Signor De Gasperi's efforts to reconstruct the old centre coalition proved unsuccessful. The task

of forming a Government therefore eventually fell to Signor Pella, and his largely Christian Democrat Government had, given the party's reduced majority and the composition of the new Chamber, to rely to some extent on Right-wing (i.e. Monarchist) support. In his policy speeches of 19 and 24 August he said that his attitude on Trieste was the same as that of Signor De Gasperi, adding that 'the defence of the nation's interests on the part of Italy and respect on the part of others for the undertakings entered into—the first and foremost of which is the Tripartite Declaration of 1948—form an indivisible whole'.

There was thus nothing new or spectacular in the Trieste policy announced by Signor Pella, for reference to the Tripartite Declaration of 1948 has been common form in all Italian pronouncements on the question for the last five years. Nevertheless on 28 August the official Yugoslav news agency Yugopress issued a statement saying that because of Italy's failure to respond to Yugoslavia's 'conciliatory attitude' over Trieste, the Government would have to re-examine the whole question. It added that this reconsideration was expected to yield results which were 'inevitable' in the situation created by 'the process of cold annexation of Trieste practised by Italy'.

This somewhat obscure statement was interpreted in Rome as a threat by Yugoslavia formally to annex Zone B. This interpretation was refuted by Yugoslavia on 30 August, but Signor Pella had in the meantime, on 29 August, summoned his Defence Minister and the Chief of the Italian General Staff, and had also held conversations with the envoys of the three Western Powers in Rome. An Italian cruiser and two destroyers arrived in Venice harbour on 30 August, and Italian frontier troops moved up closer to the frontier. Several sharp Notes were exchanged between 1 and 5 September, Yugoslavia protesting against 'armed demonstrations' and Italy replying that she had been obliged by Yugoslavia's 'threatening attitude' to take 'protective and precautionary measures'.

On 6 September, Marshal Tito in a speech at Okroglica, near the Italian border, denied that Yugoslavia intended to annex Zone B ('there would be no point as Yugoslavia is already there'), once more rejected the Tripartite Declaration of 1948, and said that the only acceptable solution now would be the internationalization of Trieste city and the incorporation of the whole hinterland with Yugoslavia. Signor Pella replied on 13 September with

the counter-proposal of a plebiscite for the whole Free Ter
to be organized by a five-Power conference (of the three W
Powers, Italy, and Yugoslavia) which should meet at or
neutral soil. But on the same day President Tito announc
opposition to the idea of a plebiscite because of the 'denatio
tion' of the Slovene population which, he alleged, had been c
out in Zone A. Signor Pella countered this charge on 6 O
when, repeating his proposal for a plebiscite, he suggested
should be confined to persons born in the Free Territor
before 1918.

THE U.K.-U.S. DECLARATION OF 8 OCTOBER 1953

Thus in early October matters had reached the stage of d
sions between the Western Powers as to the possibility of sun
ing a five-Power conference to consider these various pro
But the whole complexion of the dispute was to be changed
on 8 October the British and U.S. Governments announce
'viewing with concern the recent deterioration of Italo-Yu
relations', they had decided to terminate Allied Military G
ment in Zone A and relinquish its administration to Italy.

The effect of this announcement was electric. In Italy
received with jubilation, giving as it did the prospect o
parity in subsequent negotiations with Yugoslavia which Ita
so long desired, and which had been advocated as a first s
some quarters since early in 1952. Moreover, owing to th
biguous wording of the declaration, Signor Pella did not h
to draw the inference that the handing over of Zone A wou
prejudice the eventual solution regarding Zone B—in other v
that the Tripartite Declaration (of which no mention was m
the announcement of 8 October) was still valid.

Yugoslavia, on the other hand, at once protested strongly a
the decision itself and against the failure to notify her befor
(apparently neither Italy nor Yugoslavia had received
notification). President Tito in speeches of 10 and 11 O
declared that Yugoslavia would regard the entry of Italian t
into Zone A as an act of aggression, and said that if Italian t
moved in, Yugoslav troops (which had in the meantime r
into Zone B) would move in too. On 12 October the Yu
Government insisted that any conference to be held shoul
place before the handing-over of Zone A to Italy. Anti-I
and anti-American demonstrations took place in Yugoslavia

Thus the declaration of 8 October, far from providing even the first step towards a solution, appeared only to have increased the tension. The attitudes of the two contestants hardened around the question of its implementation, Signor Pella insisting on its fulfilment as a prior condition for Italy's entry into any conference, and even suggesting that failure to carry out its promises might lead to the resignation of his Government, thus jeopardizing the prospects of ratification of the E.D.C. treaty; while President Tito was equally firm that Yugoslavia could enter no conference unless the decision of 8 October was abrogated.

The rest of October passed in negotiations among the Western Powers towards finding a way out of this new impasse. In the meantime the evacuation of British and American troops from Zone A had begun, and by the end of October most of them had left. But no final evacuation date had been fixed, and the Allied Commander in Trieste, General Sir John Winterton, remained with other senior officials.

Into this atmosphere of mounting hysteria came one of those anniversaries which even in normal circumstances provide the occasion for a display of national sentiment. On 3 November 1918 the first Italian troops landed at Trieste, till then for centuries under Austrian rule; 4 November is the anniversary of the end of the 1914–18 war in Italy, celebrated according to long-standing custom with a ceremony at Redipuglia, near the eastern frontier, in memory of the Italian dead.

This year the circumstances were far from normal, and various precautions were taken lest an outburst of patriotic fervour should lead to trouble. The Redipuglia ceremony itself passed off without event, if in an atmosphere charged with emotion. Signor Pella attended it but made no speech; several thousand Triestini crossed the border to be present, and Italians came from all parts of the country. After the ceremony the A.M.G. authorities turned back from the frontier many coach-loads of Italians (some 3,000 in all) who attempted to visit Trieste; but some managed to get through.

In Trieste itself crowds paraded in the streets, and when it was learnt that an attempt to hoist the Italian flag on the Town Hall had been frustrated by the A.M.G. authorities rioting broke out and the Venezia Giulia police[1] opened fire to disperse the crowds.

[1] The Venezia Giulia Police Force is a specially created force which was organized in 1945 to maintain law and order in Zone A under the Allied authorities. It consists of about 6,000 officers and men locally recruited and operating under the supervision of Allied officers.

On the following days (5–6 November) further demonstrations by students and others took place, directed especially against British (rather than American) troops and installations. The police several times opened fire to quell the riots, one of the most serious incidents occurring when demonstrators fighting outside a church were pursued into it by the police. Total casualties numbered 6 killed (all Triestini) and 162 injured, including 79 police. The Italian press expressed great indignation at the severity of the police methods, demanding the replacement of General Winterton by an American, and anti-British demonstrations took place on 6 and 7 November in Rome and other cities of Italy.

THE CONFERENCE TAKING SHAPE?

For some days after the riots it seemed as if the situation had received a very severe setback, and any hope of solution appeared further off than ever. Mr Eden expressed the British Government's serious view of the disturbances and, while deploring the loss of life, said that the Government attributed the sole responsibility to extremist elements organized from outside Trieste. Both the British and U.S. Governments expressed their confidence in the Allied Commander and in his handling of the situation. The Italian Government, on the other hand, protested to Britain against the police action, and Signor Pella on 8 November demanded an inquiry, attributing the origin of the trouble to the failure of those responsible to appreciate the different methods needed in this transitional phase.

But tension gradually died down, and on 13 November the Western Powers put forward a proposal, on lines similar to a suggestion from Yugoslavia some days earlier, for a five-Power Conference limited to technical experts, to precede and pave the way for a full-dress political conference. It was thought that such a preliminary conference could be attended by Italy and Yugoslavia without fulfilment of the prior conditions on which each had insisted, and thus without loss of prestige on either side. On 15 November President Tito expressed Yugoslavia's readiness to take part in a conference so long as it was not based on the decision of 8 October, and he further suggested that the question of Trieste city should be regarded as separate from that of its Zone A hinterland. Signor Pella, on his side, on 21 November notified the Western Powers of Italy's readiness to take part in a conference 'for the purpose of securing a definitive settlement of the Trieste

Free Territory as a whole'. He had earlier (18 November) reaffirmed Italy's policy of adherence to the Atlantic Pact, and had outlined four 'fundamental ideas' to which the Government intended to adhere. These were (i) efforts to find a solution must concern the whole Territory and not merely Zone A; (ii) the Italian proposal for a plebiscite should be placed on the agenda; (iii) the Allied decision to hand over Zone A must remain irrevocable; (iv) the conference must be adequately prepared to avoid the risk of failure.

A further move to reduce tension came on 29 November, when President Tito said that he was ready to agree to the simultaneous withdrawal of Yugoslav and Italian troops from the frontier. (Italy had already, on 22 October, said that she would withdraw her troops eight miles from the frontier if Yugoslavia did the same.) On 5 December both countries agreed to the simultaneous withdrawal of troops to their respective garrisons, and this operation was completed by 20 December.

Thus by mid-December, and after the Bermuda Conference, there seemed some prospect that the long-projected conference might take place in the near future.

Looking back over the long-drawn-out course of this unhappy dispute, and reflecting on the divergent and often mutually exclusive claims of both sides, one cannot escape the feeling that those claims have become rigid through frequent repetition; and also that, from such opposite points of departure, little else could have been expected. Italy believed that Venezia Giulia, the last outlying fringe of Italian-speaking territory claimed by the Risorgimento, had been rightfully restored to her after the first world war, and at the Peace Conference she believed that her repudiation of her Fascist past, exemplified by the anti-Fascist Resistance and by her avowed intention to embrace a democratic form of government, would be taken into account. Yugoslavia, on the other hand, believed that she had fought to evict Nazis and Fascists alike from Venezia Giulia and had been wrongfully forced by her Allies to withdraw from territory that should always have been hers and had now become so by force of conquest. Thus each side embarked on the dispute entertaining irreconcilable views as to the status of the other.

The same fundamental unbelief can be seen in relation to each other's governmental regimes and the underlying premises they

represent. Catholic Italy finds it hard to believe that a Communist Government, even an unorthodox one, would ever refrain from persecuting any Catholic minority within its borders; Yugoslavia, a People's Democracy still, finds it equally hard to believe in the genuineness of the new Italy's conversion to democratic ways. Each can point to wrongs suffered either now or in the past at the hands of the other.

'Expansionism' is another of the accusations hurled by each side at the other. Yugoslavia's presentation of her case, especially of recent months, is impregnated with the idea that Italian claims to Trieste are only the prelude to further 'imperialist expansion'. Italian commentators, on the other hand, argue that these accusations are merely a cloak for Yugoslavia's own ambitions towards becoming the head of a Balkan League. Yet another mutual accusation is that of being the favourite of the Western Powers.

Much of these outbursts can of course be discounted. They are fabricated primarily for home consumption; and their ebullience rises and falls according to the domestic needs of the moment, and are not to be confounded with the serious diplomacy of either country. Equally, neither spokesman for his country can make withdrawals too rapid for the pace of public opinion. Signor Pella's situation is obviously difficult, with his precarious parliamentary majority and with the need both to placate and to curb the nationalist fervour (sometimes spurious but often genuine) which has been conjured up around the name of Trieste. But dictators have their problems too, and it may well be that President Tito's explosions of wrath, especially after the 8 October declaration, may have been designed in part to disarm attacks from the Left-wing elements in his own country who have viewed askance his increasing rapprochement with the West.

He would be a rash man who would venture at this stage to forecast what form an eventual settlement may take. But it may perhaps be not too rash to hope that after the explosions of this autumn both sides may come to see that, in the face of the wider perils that surround them, peace in the Adriatic is after all worth striving for. That at least must be the hope of the Triestini themselves—that, and the hope that the very concepts 'Zone A' and 'Zone B' may at length come to be forgotten.

M. K. G.

East-West Trade

CURRENT PROSPECTS

TALIN, it appears, disliked East-West trade. Suspicious, con-
:mptuous, and fearful of all foreigners, he preferred autarky
'here possible. He allowed only two great exceptions: the heavy
urchases of machinery to get the first Five-Year Plan going, and
ıe heavy deliveries of strategic materials to Germany in 1940 in
rder to appease her. Though actual trade was of course smaller
ı his day Lenin had been perhaps slightly more forthcoming: once
e had convinced himself there would be no revolution in the
Vest he even contemplated borrowing from capitalist countries
.his they of course refused, but it illustrates his attitude). But
ıen Lenin died too early to understand that Communism needs
ot open frontiers across which its influence can pour, but an Iron
'urtain to keep 'capitalist' influences out. Stalin created the Iron
'urtain, and trade necessarily languished across it. During his
:ign a deep underlying hostility to East-West trade was often
ıanifest behind the propaganda to the contrary. Thus the defen-
ants Frank and Frejka at the Slansky trial admitted to the crime
f having tried to keep Czechoslovakia dependent on Western
·ade. In summer 1952 Cyrankiewicz openly said that the Polish
;overnment's object was to reduce dependence on the West. The
'ee trade propaganda under Stalin had, then, no other object than
› sow discord and reduce the effectiveness of the Battle Act.

Mikoyan is known to favour an easier life for the consumer, and
›reign contacts of many kinds. It is perhaps on him personally, in
ıe present uneasy and even unco-ordinated oligarchy, that East-
Vest trade now depends. Be this as it may, Soviet policy is now
ıuch milder. Since Stalin's death money has been offered to the
Jnited Nations for technical assistance, strategic goods such as
ıanganese have been offered to France, and large purchases of
igh-grade foodstuffs such as butter have been made in Australasia.

Now on the one hand the manganese shows that the U.S.S.R.
as partially suspended its 'Battle Act'. It is one of totalitarianism's
reatest advantages that simply by administrative ukase, without
ublicity or opposition of any kind, the U.S.S.R. has been able
› operate strategic export control for years. Hardly anyone has
omplained, hardly a ripple has passed over world opinion: but
ıe pre-war manganese was 'not available'. Luckily, too, for the
'ommunist bloc, it has few strategic exports, since it has never

been a large source of minerals[1] and is not even yet heavily industrialized. The Communists have hardly ever mentioned their own 'Battle Act' except in the Slansky trial: Margolius, former Deputy Minister of Foreign Trade, said that he arranged to export television valves to Britain. The Ministry of Defence warned him that the valves could be used for military purposes, yet he persisted and 'directly endangered Czechoslovakia's defence potential'.

On the other hand the butter purchases mark a breach in the policy of always asking for guns, and breaking off negotiations when they are not provided. Even had there been no Western Battle Act the Communist demand for complex engineering products could not have been satisfied, since these are precisely the goods that the advanced countries can sell anyway. But although the switch will undoubtedly sweeten foreign relations, it is determined by the greater and more important switch in internal affairs: from heavy investment and abstinence towards more consumption and the enjoyment of life. The emphasis on butter rather than, say, textiles within the consumer goods field is of the highest importance. It chimes in with the new agricultural policy at home: to encourage the peasant's private plot and the horticultural and livestock products for which it is suited. Here, evidently, is the most backward sector of the Soviet economy. The Soviet leaders have, by implication, admitted an unwelcome truth: Russia cannot decently feed herself. Naturally the new agricultural measures are supposed to correct this deficiency, but they could only do so fully at a cost to industrial expansion which the Kremlin can hardly be expected to accept. With 50 per cent of her population still in farming, the U.S.S.R. must already turn to exporting manufactured goods and importing food—just as India has had to, with of course a much higher proportion in farming. Now population is increasing yearly at the rate of 1·5 per cent, all good land is already cultivated, and the great projects for transforming nature are under an amply merited cloud; so we may assert that if the Government wants a permanent rise in nutrition and is unwilling really to reform its agricultural system it has given a permanent hostage to international trade. Nay more, to East-West trade in particular, for it is only certain free countries that have or will have important net food surpluses: Canada, Cuba, Denmark, New

[1] The mineral wealth of the U.S.S.R. has been much overstated in Soviet propaganda. Cf. *Soviet Economic Growth*, ed. A. Bergson (Row, Peterson, 1953), Ch. 5.

Zealand, Siam, and (temporarily) Australia.[1] Even without Communist countries entering the market, the future for their terms of trade was brilliant enough. Food, it may be, is the strategic export of the future.

It is early yet to say, but if things easier to obtain are being demanded and easier to sell are being offered we must expect a rise in the volume of trade: both as a mere matter of economics and because the political atmosphere will be slightly improved thereby, setting off further improvements. Politics are of course the chief determinant, and here we must very briefly consider the U.S.A.

The United States undoubtedly possesses a Molotov but not, it appears, a Mikoyan. There is no will to increase East-West trade here—quite the contrary. With the absolutism typically engendered by any moral crusade, the U.S.A. has reduced its own non-strategic trade to virtually nothing, and the Boston tea party has repeated itself in New York with Russian crab. Moreover the U.S.A. has still power to restrain other free countries. For so long as these receive dollar aid the Battle Act applies to them. But the volume of dollar aid will surely decline, and American influence with it. Moreover the trade is more and more in non-strategic goods which escape the Battle Act. Further, it is difficult to believe that the Korean armistice will not sap the will to enforce the Act, even though it remains on the statute book.

The prospect is, then, a mild reversal of recent trends. It will be seen[2] that in 1946 satellite trade was more heavily concentrated on the U.S.S.R. than in subsequent years. This was merely because Germany was destroyed, and connexions with the West were geographically more difficult to restore after the war. There followed the easy period of Zhdanov's ascendancy: satellite Governments were given no little freedom, and all collaborated in the grand end of an instant Westward expansion. Why reduce trade with the West, if it was about to be conquered? In 1949, after Tito's revolt and Zhdanov's death, comes the grim economic centralization that went with the mass purges in the satellite countries. In this year also began the Western strategic export controls.[3] Yet neither, for

[1] In addition the U.S.A has an important grain surplus, which is overbalanced by purchases of less essential foods The above list omits many small countries, chiefly colonial, and the large surpluses of Brazil and Colombia, which are not really important as they consist of coffee.

[2] Tables I and II.

[3] That is, in earnest. There have been British controls of a kind since 1947, a year before the Marshall Plan and four years before the Battle Act.

all the propaganda, has reduced the *volume*, as opposed to the proportion, of East-West trade so very greatly. This trend continued until Stalin's death. If the proportion of East-West trade to all Communist trade merely holds its own now its volume will greatly expand.

TABLE I

PERCENTAGE RELATION OF INTRA-BLOC[1] TO TOTAL COMMUNIST TRADE[2]

	1937	*1946*	*1947*	*1948*	*1949*	*1950*	*1951*	*1952*
Poland	7	56	39	34	43	59	58	67
Czechoslovakia	11	22	20	30	45	52	60	71
Hungary	13	70	47	34	46	61	67	71
Rumania	18	..	88	71	82	83	79	85
Bulgaria	10	83	80	74	82	88	92	89
U.S.S R.	2[5]		51[7]	55[7]	67	83[7]	79[7]	80
China[3]	0·5[5]		.		..	26	51[8]	72
Albania	5	.		38	100	100	100	100
E Germany[4]	13[6]	.	35	73	..	85	..	..
Yugoslavia[4]	14[5]	.	47	52	14	0	0	0

[1] 'Bloc' excludes Yugoslavia throughout, and apparently also E. Germany, Sinkiang, Outer Mongolia, and North Korea. China is included from 1950.
[2] Exports and imports. Reparations excluded.
[3] Includes Manchuria throughout, but not Formosa after 1949.
[4] Percentage of these countries' trade going to the 'bloc' as defined.
[5] 1938.
[6] This is the percentage for all Germany, 1938
[7] Derived from Table II.
[8] Guessed.

TABLE II

The actual value of Communist export trade has been very approximately as follows:

EXPORTS FROM COMMUNIST COUNTRIES
(*in millions of current U.S. dollars*)

	1947	*1948*	*1949*	*1950*	*1951*	*1952*
U.S.S.R.						
to free world	202	442	367	219	356	421
to bloc	192	355	657	1,013[1]	1,300[4]	1,684[3]
European satellites						
to free world	847	974	1,032	644	752	670
to bloc	320	572	951	1,168	1,280[3]	1,690[3]
China						
to free world	.	466[2]	447[2]	476	473	324
to bloc	..	..	..	164	500[3]	830[3]
Total Communist exports	1,561	2,343	3,007	3,684	4,661	5,619
Total world exports	47,000	57,000	58,000	59,000	81,000	79,000

[1] Soviet exports to China guessed at $200 m. (80 per cent of Chinese trade with U.S.S.R., and China must have run an import surplus.) Soviet exports to satellites were $813 m.
[2] Not yet within bloc: virtually all trade to free world.
[3] Derived from Table I.
[4] Derived, hazardously, from trade turnover in rubles.

NOTE: Table II does not precisely check with Table I, as it is derived where possible from independent sources The accuracy of both tables is very low, as the basic Communist statistics are ill-defined and sometimes contradictory. The

COMMUNIST LONG-TERM POLICY

With a third of the world's population the Communists, among themselves and with outsiders, account for about 7·5 per cent of the world's trade. This reflects much less their poverty—for the Communist countries as a whole come below, but not far below, the world average in production per head—than the fundamental urge towards autarky among Communists, which we shall see operates even among the Moscow-directed satellites. Yet another important cause, however, is a simple statistical trap: two of the Communist countries are among the three most populous in the world. The bloc is thus heavily weighted with countries which would naturally have a small volume of foreign trade per head. Yet when this allowance has been made the fact of extreme autarky remains. Thus India, with only two-thirds of China's population and perhaps twice as well off per head, does three times as much trade. Italy, with under a quarter of the U.S.S.R.'s population and little better off, does more than four times as much trade. The foreign trade per head of the U.S.S.R. in 1932 was only half that of 1913, and in 1937 only a quarter. But by 1952 it had climbed back to 50 per cent of that of 1913, and Communist trade was expanding more quickly than world trade, though not so much more quickly as to correspond to the higher rate of general Communist economic growth. The autarky seems to be being modified.

Soviet foreign trade policy is not easy to understand in its details. We can all see why Yugoslavia was blockaded in 1948, or satellite trade diverted to the East. We can all see why bananas are imported and timber exported. But which considerations, economic or political, normally win? Why is only *some* trade with 'capitalist' countries conducted through Communist agents? East-West trade is an ideal means of financing foreign Communism, yet curiously enough it is used for this more by the satellites than by the Soviet Union. The Rumanians are more particular than the Russians with whom they do business, concentrating more on Communist

---

figures are correct only for the impression given of the order of magnitude. Sources are: *Vneshnyaya Torgovlya*. Oct. 1952; *Voprosy Ekonomiki*, 6/1953, pp. 55–6; A. Bergson (ed.), *Soviet Economic Growth*, chh. 11, 12; U.N. *Economic Bulletin for Europe*, II/1951 Table XXII, II/1952; Ministerium für Gesamtdeutsche Fragen, Bonn (privately communicated); U.N. *Monthly Bulletin of Statistics*, Aug. 1953, pp. x *sqq*.; U.N. *Economic Survey of Europe in 1948*, Table XVI; M. Dewar, *Soviet Trade with Eastern Europe*, p. 97; Mikoyan, in *Pravda*, 21 Dec. 1949; Nesterov, in *Pravda*, 6 Apr. 1952.

A later source has always been taken as more correct than an earlier source.

and fellow-travelling business men. Dumping, again, and its opposite, pre-emptive buying, are weapons that might be more imaginatively used. For instance, during a sticky period of Anglo-Argentine negotiations it should surely be possible for the Czechs to make a sudden and advantageous offer for meat, while the Poles offer coal on credit. We know that the U.S.S.R. is short of oil tankers: but is it really so short that it could not have sent a fleet to Abadan for Dr Musaddiq's half-price oil?

Then there are the innumerable possibilities of foreign investment. Outside the Iron Curtain and Austria there was till recently precisely one proper Soviet mixed company: that controlling the Caspian fisheries in Persia; and even that was dissolved in February 1953 when Dr Musaddiq's Government declined to renew the twenty-five-year-old Persian-Soviet fisheries agreement. There are of course many Communist-dominated companies handling East-West trade, particularly since the Moscow Economic Conference of April 1952, and the Banque Commerciale de l'Europe du Nord in Paris is virtually a mixed company. But that is all. Yet it should surely not be difficult to buy up strategic lots of ordinary shares—usually 10 per cent of the ordinary capital will do—and so gain control through nominees. In this way the whole of a single trade, perhaps a trade connected with armaments or scientific research, or the whole manufacturing industry of a sufficiently small country could be brought under Kremlin orders.

Foreign investment could also take more genuinely helpful forms. Little Marshall Plans—perfectly above board with only a few strings attached—could be offered to free backward countries. Their general propaganda effect and their local influence would be tremendous. The 'capitalist' world, in which individuals trade as they please and positions of power exist outside the control of the State, is open at a million commercial pores to infiltration or disruption of every kind, yet not by any means all opportunities are exploited. The picture of an unscrupulous and monolithic Communist bloc, using trade for political ends with devilish ingenuity, is simply false. The intention, we may be sure, is not lacking, and individual instances occur, but performance lags strangely behind possibility.

Why? The answer brings us to the most essential feature of Stalinism: its slogan 'Socialism in One Country', or aggressive isolation. Diplomacy and foreign Communism exist to strengthen the Socialist Fatherland—i.e., to help its industrialization. So far

as this goes, politics subserve trade, not trade politics. It is the duty of diplomats and foreign comrades to improve the Soviet terms of trade, not that of Soviet traders to give aid and comfort to them.

A closely connected reason is simple economic scarcity. The Soviet Union has until recently been too short of essential goods to consider non-economic factors as often as it might wish. Economic sanctions are so expensive that only the rich can afford them. They have been used for long-term and really important political ends, but not where the political advantage is merely tactical. When it comes to tactical and temporary advantages only *economic* ends have been pursued by Soviet economic warfare: for instance, to break down the ban on strategic exports from the West, or to boycott rings of traders seeking to establish a monopoly in trade with the U.S.S.R.

Then we may safely speculate that there are departmental rivalries. The first accepted method of world conquest was the encouragement of 'world revolution'. To this was added in the 1920s ordinary diplomacy and the use of the armed forces in 'defence' of the nation. The two approaches have always conflicted, since they required not only incompatible measures but incompatible men and institutions: Zinoviev versus Chicherin, Zhdanov versus Molotov, the Comintern or Cominform versus the Foreign Ministry. On which principles is economic warfare to be run? For instance, it is difficult both to buy exactly what is more profitable for the Argentine Communist Party and to do the maximum damage to Anglo-Argentine negotiations. Between these two stools it would appear that the Soviet trading authorities have most willingly fallen. They will serve neither master, except in very obvious cases like the Yugoslav blockade or the deliveries to Hitler during 1940, where there is in any case no conflict between the two approaches. 'Economic warfare for economic ends' seems to be their cry. By all means organize the Austrian Communist Party to provide us with illicit copper, but the object is to get more copper, not more Austrian Communists.

Indeed on no other hypothesis is Soviet behaviour explicable. General goodwill and large Communist votes have been thrown away time and again by grasping trade practices: in Finland, in Austria, and in Persia (where the now defunct Caspian fisheries company was no less unpopular than Anglo-Iranian). The rift with Yugoslavia began over the Soviet mixed companies. The Austrian Communist Party has been reduced to little more than a

band of smugglers,[1] and the confiscated German assets in th country have been used up without replacement, instead of form ing the foundation of a great *imperium in imperio*, as once w feared. All this follows from the central features of Stalinism: cor tempt for foreigners and headlong industrialization at home.

Two large practical considerations also reinforce present att tudes. First, the satellites are more than just nominally independen Informal control is exercised in a thousand ways, but the preten of consultation and independence is always kept up, except at th very highest levels of all. We cannot doubt that Bierut and Rako get direct orders and threats, but this fact is supposed to be cor cealed from middle-rank Communists and from non-party ac ministrators. Yet it is precisely on this level that Kremlin orde would have to pass if the Communist bloc's foreign trade were t be tightly and currently co-ordinated in every detail. Therefo presumably it is not so co-ordinated: our example of the Czech and Poles combining to sabotage Anglo-Argentine negotiatior remains hypothetical. We do not know what the so-called ComEco (the Council for Mutual Economic Aid, in Moscow) really does, o what powers it has. The general impression is that it does not d very much. Rather do orders percolate in unco-ordinated way via the diplomatic service, the mixed companies, the trade mission the ComEcon, and the numerous special contact men from Marsh Rokossovsky down to the 'technical adviser' in the importar steelworks. There is also a strong bias towards autarky in a satellite planning, and opportunities for the international divisio of labour seem to be neglected.[2]

Secondly, China must at all costs be built up. This vast back ward area contains 60 per cent of the world's Communist popula tion. Its development is a huge burden for the 'advanced' Com munist countries—themselves backward by Western standards— to bear. But bear it they must, or China may go her own way, an the various reasons for Russo-Chinese enmity would then com to the surface. Instead, then, of being invested in political sub version across the Iron Curtain, resources are invested in Chin

Finally, it is possible that the Kremlin is in simple intellectu

[1] See *Bulletin de l'Association d'Etudes et d'Informations politiques inte nationales* (Paris), 16/31 July 1951.

[2] Compare Hoeffding in Bergson, *op. cit.*, pp 326–331. The criticisms o Mr Hoeffding (pp. 353, 357–8, 360–2) notably fail to shake his assertion. Ther may possibly be a central plan for all the satellites, but if it exists it is of extrem generality and actually imposes autarkic industrialization on them.

error: it does not realize how much damage it could do if it used its imagination. It may shrink, for instance, from the policies here considered on grounds of expense. But non-economic methods of political warfare are equally expensive: e.g. spy networks, world congresses of front organizations, re-armament. It will be a bad day for the free world when the Kremlin begins to throw its weight about in world markets, and Stalin's death may well have brought this day much nearer. His successors are not so crude, inflexible, or isolationist, and they have a greater export potential and less dependence on imports than he when he began. If international tension mounts again the political dog may at last begin to wag the economic tail.

THE NEED FOR A NEW MERCANTILISM

The free world is of course far more supine about East-West trade, and still less monolithic. The Paris Consultative Group (or CoCom, as it is sometimes called) includes the N.A.T.O. Powers, Japan, and Western Germany. It deals with lists of strategic goods and their enforcement. It is officially voluntary and unconnected with O.E.E.C. or N.A.T.O. Its ultimate sanction, apart from the goodwill of its several members, is of course the U.S. Battle Act. Unofficially the Group is indeed a mere adjunct of N.A.T.O., as the absence of all non-N.A.T.O. Powers, except those occupied by N.A.T.O. troops, clearly shows. The other free countries are controlled only by informal diplomatic pressure, by the Battle Act if they accept dollar aid, and, least effective of all, by the United Nations' embargo on China, which each member may interpret in his way. Much could be done to tighten things up, but before turning to that it is as well to be clear where our interests lie in East-West trade.

The idea that trading with the enemy is treason, or at any rate undesirable, has crept over the world since Mercantilism was discredited. It appears never to have been examined dispassionately. A moment's such examination shows it to be false. To the Mercantilists the general strength of the State was the supreme goal; economics, politics, and strategy were all a unity; and peace was cold war. Hence in considering trade they were hypnotized by the probability that taking economics, politics, and strategy together one State will gain from trade more than the other; which means, if they are enemies, that only one gains at all. They forgot that taking economics alone each party must gain, or the

individual traders would not have undertaken the transaction. Their theory was more suited to the political economy of war. Their successors connected free trade indissolubly with peace: perceiving only that each trader benefits economically, they have forgotten that where there is political enmity only one of the two States can win, namely that State which receives the greater accession of economic, political, and strategical power from the transaction. Even the 'neo-Mercantilists' of today do not think in these terms. If they consider 'social' effects they are but thinking of the indirect *economic* consequences for other individuals than the actual traders. To them too there is economic gain on both sides, though a tariff or a devaluation might redistribute it a little. The notion is foreign to them that, though both parties gain economically, one may yet be the loser all round, for the parties are really political enemies, and wish not merely to gain, but to gain more (or even to lose less) than each other. True, where the only one to gain is he who gains most, one party must lose, and should therefore not have traded. But that is no reason for not playing the game: to refuse to do so is simply to admit intellectual inferiority.

Now perhaps in the Cold War this game is what matters most. It is undesirable that the Communist country should benefit all round from a given transaction more than the free country. But if the opposite occurs the trade is a minor victory and the trader a patriot, and this holds as much for strategic goods as for any others. To the whole-hogger it is not even necessary that the individual trader or enterprise should make a direct private profit at all; the general interest of the country might well be served by his making a loss. The line is difficult to draw here, though we have seen that the Communists themselves usually stop short of this. A free, decentralized society could hardly make its citizens trade at a loss, for diplomatic or strategic reasons however cogent.

What specific measures might we nevertheless consider? First we must scrap the irrelevant distinction between war and peace, or rather fighting and not fighting. We might well gain more strategic, political, and economic advantage from trade with China than with Czechoslovakia. In Mercantilist days we did not hesitate to supply Napoleon with uniforms for his troops if this kept our weavers employed and drained his treasury of gold, thus weakening confidence in his currency; and he did not hesitate to supply us with wheat in order to support the price paid to French peasants

who would otherwise have rioted. In the modern world the considerations differ somewhat, but the general Mercantilist position is surely quite unshaken. A belligerent today, even a 'capitalist' one, would not think of trading with the enemy merely to keep men employed or support prices; for that other means have been devised, not administratively possible in 1800. But the gold argument retains most of its force, and so does the argument from the terms of trade. There must, that is, be some price at which it pays to sell almost anything to the Communists. There are a number of tons of Russian oats or of ounces of Russian gold that would make worthwhile in Western eyes the sale of a ton of Canadian nickel, even perhaps of a secret paper on thermo-nuclear reactions. So, secondly, we could in theory at least lay down a list of such prices, impose corresponding export taxes on such goods when offered to Communist countries, and sit back and wait for sales. Strategic exports would merely have much higher taxes than non-strategic exports; or only be sold in return for this or that minor political concession. If the trade was channelled at any point through a Western Communist organization a still further tax could be imposed.

Curiously enough the actual state of affairs does not differ from this picture very widely. For the effect of the strategic export controls is to make it risky to export strategic goods to Communist countries. These countries are then forced to offer very high prices, and this has improved the free world's terms of trade (which is an economic benefit), while owing to the partial effectiveness of the restrictions the Communists receive less of the goods than they otherwise would (which is a strategic benefit). It is true that employment in some free countries suffers from the shrinkage of East-West trade but, as we have seen, this matter is now remediable: the argument has not the force it had in Mercantilist days. It is also true that the international division of labour is impaired, so that the volume of production in the whole world is less than it would otherwise have been owing to the fall in productivity; but it is not clear which side suffers most from this, so that it is of little moment if the cold war, not general economic welfare, is our primary concern.

In sum, then, since Mercantilism was discredited the political economy of war has been less perfectly understood, and with the increasingly totalitarian nature of war all civilian contact with the enemy has come to be held immoral. Therefore a system of pro-

hibitions on exports has been set up, which if it were watertig
would in all probability be less advantageous to the free wor
than a little East-West trade on the free world's terms. But owin
to the unpopularity of the Americans and the number of crypto
Communists and straightforward smugglers in European an
Asiatic business circles the prohibitions sometimes fail. They a
merely more or less formidable hindrances. And the Communis
have to pay people extra to overcome these hindrances, thus in
proving our terms of trade.

Now conceivably we have even attained the position a Me
cantilist government would have sought to attain in the first plac
the net economic, political, and strategic benefit to the free worl
is more nearly maximized than it would be if the Battle Act reall
worked. But this is not very likely, since the 'capitalists' concerne
act with no motive but their own profit in view, and are not co
ordinated by any Government. Moreover, as smugglers do, the
retain the profits due to the improved terms of trade, which shoul
escheat to the community. Worse still, many are Communist
especially crypto-Communists. Some too are fellow-traveller
some neutralists, and some simply unprincipled. The ideal is th
exports to the Communists should be strictly controlled an
rationally taxed by the State. Short of that ideal absolute an
successful prohibition may be best; it is surely at least clear th
the position under the Battle Act is much better for the West tha
it would have been if the weaker-minded free Governments ha
not been forced to restrain their traders. If we may complain o
U.S. domineering we must in fairness condemn neutralist laxit
more strongly.

But the ideal is much more easily attainable than might b
supposed. Many strategic goods are so bulky and peculiar th
they cannot be exported without the Government knowing thei
ultimate destination. The sale of these, then, could be controlle
without further ado. For the rest, the mere legalization of trade i
such articles, subject to a tax, would bring a great deal of trad
out into the open and under control.

For every dishonest or Communistic business man there ar
many trustworthy ones who would be pleased to sell strategi
goods at a moderate profit and collect the tax for the Government
The mere fact that the Communist market was open on suc
terms would reduce the temptation to smuggle. It would also cu
out the shady intermediaries, bringing the honest producer face t

face with the Communist trading organization. Communist States would probably not retaliate to these relaxations more violently than they do to the present prohibitions. As to our imports from them, they are largely commodities that must follow world prices in any case.

The existing set-up of East-West trade shows other anomalies. Communist countries still enjoy most-favoured nation rights in free countries, although the reciprocal privilege is meaningless. Thus if free country A makes a tariff concession to free country B the exports of Communist country C automatically benefit. But the tariff concessions of C are purely formal: the State foreign trade monopoly can still be instructed not to buy from A, even though its exports to C 'enjoy' the concessions in accordance with the most-favoured nation agreement. Such agreements tacitly assume that trade is conducted strictly for financial profit. Again, trade missions and unofficial sellers to Communist countries are restricted to the point of inanity: they may not tour factories or study their markets or—often—speak with the ultimate users at all. They are confined to the civil servants of the trading ministries in the capital city. Few of these restrictions operate on Communist traders in free countries. So long as such inequalities persist the greater gain from East-West trade—and therefore in terms of power the only gain—will surely always go to the East. But to be stampeded into total prohibition is simply to admit that Communism is a more efficient form of trading organization. It should surely be possible to close these loopholes and play the game with some chance of winning.

P. W.

The 'New Line' in Bulgaria

THE Bulgarian General Election of 20 December 1953 marked the end of an important phase in the political, economic, and social development of Bulgaria as a Communist State and a Soviet satellite. The first Five-Year Plan, which was meant to put Bulgaria's economy 'on Socialist rails', was adopted in December 1948. Its fulfilment 'in less than five years' was announced several

times in 1953, but the second Five-Year Plan is not expected to be put into operation before 1954, and December 1953 seems to be accepted as the official date marking the end of the old Plan. The fourth anniversary of the rise to absolute power of Valko Chervenkov, Bulgaria's Prime Minister, also fell in December. Though he was not appointed Premier until January 1950, Chervenkov was proclaimed official leader of the Bulgarian Communist Party in December 1949, during Stalin's seventieth birthday celebrations in Moscow. The past four years of Bulgaria's post-war history, therefore, can be rightly called 'Chervenkov's years'—a description which sounds particularly appropriate in Bulgarian, as 'Chervenkov', literally translated, means 'Mr Red'!

Following the practice introduced in Soviet Russia after the death of Stalin, Communist Bulgaria has now relaxed to a certain extent the absolute ban on economic statistics. In some long speeches delivered in the past few months Chervenkov himself revealed several important figures concerning the development of Bulgaria's economy. Communist figures, especially when they are given in meaningless percentages, cannot, of course, be taken at their face value. But when all allowances are made for exaggerations, propaganda claims, and faulty accounting, the figures published by the Chervenkov Government on the achievements of the first Five-Year Plan are of great interest. There is little doubt that the four 'Red Years' of the Chervenkov regime have radically transformed the whole economic structure of the Bulgarian State.

As Bulgaria is predominantly a peasant country the changes in agriculture are by far the most important. When Chervenkov took over the Premiership 6·2 per cent of the total arable land in Bulgaria had been collectivized. By the end of 1952 this figure had risen to 60·5 per cent—a record for the whole of satellite Europe.[1] The collective farms increased in number during the same period from 1,100 to 2,800, and the number of collectivized peasant households jumped from 124,000 to 553,000, or 53 per cent of all peasant households in Bulgaria. Moreover, in the grain producing districts collectivization reached 90 per cent of the arable land. The percentages of agricultural production 'in the socialist sector', as compared with total production for the whole

[1] Approximate percentages of collectivized arable land in the other satellites Albania, 9; Czechoslovakia, 30; Hungary, 25; Poland, 15; Rumania, 22. These figures are averages based on several official, but mutually contradictory, Communist figures. All kinds of collective, co-operative, and State farms are included.

country, are, again, the highest in Eastern Europe: grain, 63; industrial crops, 70; cotton, 75; oil seeds, 68; sugar beet, 86. Communist claims that the 'socialist sector' of agriculture has 'absolute predominance' in Bulgarian rural economy are obviously correct.

The revolution in the city has been equally far-reaching. Here the private sectors have been totally eliminated in industry, transport, trade, and every form of business enterprise. No figures of actual output have been given, but it is claimed that during the first Five-Year Plan period industrial production has risen 2·5 times. This is possible, as the Plan envisaged the expansion of industry, electrification, and mining on a (for Bulgaria) really tremendous scale. A large number of the planned work was not done owing to lack of raw materials and skilled labour. Still, most of the so-called 'big projects' of the Plan have been fulfilled. But, according to the 'self-criticism' articles which have been allowed publication in the last few months, this industrial expansion has been achieved at very high costs. The tendency has been to build up heavy industry for political purposes, with little or no economic common sense. Chervenkov's claim that Bulgaria has been turned into a 'vast workshop', where 'scaffolding is going up in every corner' and 'something is being built every day', may well be true. But all these activities have produced no material benefits for the Bulgarian people, and it is doubtful whether many of the big industrial projects would have any lasting value for the country's economy.[1]

In his September speech Chervenkov admitted that the task of 'improving the situation of the workers and the working people' is an aim of the distant future—the second Five-Year Plan. The proportion between the 'rates of development' of heavy and light industry should, he explained, be 'altered in favour of increasing the production of consumer's goods'. Without this 'the maximum satisfaction of the working people's growing needs' was impossible. Chervenkov promised that his Government would 'adopt new ates of development of industrialization, not as high as the old nes'. The 'militant slogan' of the Party was proclaimed to be Sufficient Supplies for the Population in the nearest Future'. In

[1] The above figures are taken from Chervenkov's speech of 8 September 1953. ull English text in *Bulgaria Today*, official Communist publication, Sofia, o September 1953. See also *Bulgaria Today* of 16 May 1953 for figures on the ive-Year Plan. For a summary of Chervenkov's speech see the Cominform urnal *For a Lasting Peace, for a People's Democracy*, 11 September 1953.

the same speech, and in several decrees published a few days later, Chervenkov announced many important concessions to the peasants.

These concessions revealed clearly the tragic plight of Bulgarian agriculture after four years of intense collectivization. Collective farms received a total remission of all their income-tax arrears up to 31 December 1952. In addition collective farmers were granted total remission of all taxes, rates, fines, and all other debts to Government departments contracted before December 1952. All arrears for fines and non-payments on Government insurance policies were cancelled completely. All farm debts to machine and tractor stations (which means all payment for work done with agricultural machines) were remitted up to 31 August 1952. All water taxes, irrigation and drainage rates, and flood protection insurance payments were also completely cancelled up to December 1952. No exact figures were given about the total sum involved in this mass cancellation of peasant debts, but it may be presumed that it was a very large one. The decree, no doubt, has proved very popular with the peasants. But there can be equally little doubt that the Chervenkov Government has been obliged to wipe off such a big sum from the revenue side of its Budget not because of any love for the peasant, but because the debt had obviously become impossible to collect on account of the extreme poverty of the peasants. It is also significant that Chervenkov has lately uttered no word about further collectivization measures. On the contrary, for the first time in five years Government concessions have been announced to the 'private sector of agriculture', i.e., to those peasants who have so far escaped collectivization and are working as smallholders on their own pieces of land.

In the political field, too, Chervenkov has now adopted a more 'democratic' line. Before 1949 Chervenkov was not even considered a serious candidate for the top Party and State job, about to be left vacant by the ailing George Dimitrov. There were at least five party leaders ahead of him in rank, seniority, influence, and power. Dimitrov's first assistant and acknowledged successor was the Party's Secretary-General and first Deputy Premier, Traycho Kostov, who was known to have a very poor opinion of Chervenkov. But by the end of 1949 Kostov was hanged as a traitor, all his friends and supporters in the Politbureau and the Cabinet were dismissed and liquidated one by one, and Chervenkov found himself the supreme ruler of the Party and the State.

He was obviously Stalin's choice, and he acknowledged this publicly by announcing that his policy was to be 'Stalin's policy' and that he would liquidate his enemies 'in Stalin's way'.[1] While Stalin was alive Chervenkov was careful to emphasize his own subordinate position to his 'leader and teacher' in the Kremlin. The customary telegrams and messages on public holidays were sent by the Party not to Chervenkov, but directly to Stalin. In the press and radio Chervenkov never called himself *vojd* (leader) of the Party and the people—a title which Dimitrov had used for years. He only described himself as *rakovoditel*, or the man in charge, and he made it perfectly clear that the real leader lived in Moscow and not in Sofia.

For these reasons Stalin's death came as a considerable shock to Chervenkov's prestige and a serious blow to his position as 'man in charge' of the Bulgarian Communist Party. The central Party leadership consisted mainly of three groups: the national Communists, led by the Deputy Premier Anton Yugov; the military, led by the President of the Republic General George Damyanov (a former Red Army officer); and finally the 'Moscow men', led by Chervenkov himself. A few months before Stalin's death Chervenkov had started a violent propaganda campaign against Damyanov's wife, who is a writer, accusing her of 'right-wing' deviations. The general himself had not appeared at several official functions, and it was obvious that he was on the way out. Yugov, likewise, was attacked openly for 'lack of vigilance' and was demoted. But after Stalin's death these attacks suddenly stopped, and both Damyanov and Yugov have once again appeared in the forefront of the Party leadership. In addition, Chervenkov himself started making speeches on the necessity for 'collective leadership'. During the December election campaign the names of the Politbureau were printed in all appeals, slogans, etc., in alphabetical order, which puts Chervenkov in the second place. All telegrams sent to Moscow were signed by the Central Committee and not by Chervenkov personally. In a democratic country such facts may be considered trivial details, but in a Communist State they are very significant. (The absence of the Minister of the Interior from an opera performance may mean that he is about to be arrested, as the case of Beria in Russia proved).

[1] For details of the purges in the Bulgarian Communist Party which led to the victory of Chervenkov see 'Deviationism in Bulgaria', in *The World Today*, April 1950.

It is obvious that Chervenkov feels that his position is weak. (sequently he has now embarked on a policy of 'wait and see' is trying desperately to win friends instead of liquidating ener

Typical in this respect was the sudden repeal of one of C venkov's most odious decrees passed only last February. The cree proclaimed as traitors, subject automatically to the d sentence, all refugees in the West who would refuse to go bac Bulgaria if requested to do so by the Communist authori Relatives and friends of such 'traitors' who had known of t 'intended crimes' and failed to inform on them were to be prisoned for up to ten years. But even if they knew nothing o 'crimes' they could be deported to forced labour camps an their property confiscated.[1] The British Government referred savage law to the United Nations as a breach of the clauses o Bulgarian Peace Treaty, and assurances were given in Parliar that Bulgarian refugees in Britain would receive the full protec of the British courts. The decree also created a considerable roar in the United States.

But on 4 November 1953 the Sofia State Gazette publish new decree revoking the most cruel provisions of the Febr decree. Refugees in the West who refuse to go home are still t prosecuted. But the maximum sentence they can get (*in abse* is five years, and there will be no punishment for any of t relatives or friends left behind. By Communist standards the decree is extremely mild, indeed almost 'liberal'. Chervenkc obviously trying to make a favourable impression with the ' look' of his policy.

More important and more unexpected was Chervenkov's s den plunge into religious affairs. At the beginning of May 1 the National Congress of the Bulgarian Orthodox Church convened at the Palace of the Holy Synod in Sofia. The Cong is a sort of ecclesiastical Constituent Assembly, which sits on rare occasions. It has been convened only three times since 1 when the independence of the Bulgarian Orthodox Church recognized by the Turkish authorities (Bulgaria was at that t still a Turkish province). But the greatest surprise was stil come: the Congress proceeded to elect a Patriarch for the time in nearly six hundred years. (The last Bulgarian Patria Eftimiy, or Eutimus, perished in 1395, after the conquest of Second Bulgarian Kingdom by the Turks.) The Church itself

[1] For details of the decree see *The Manchester Guardian*, 30 March 1953

wanted to elect a Patriarch ever since the liberation of Bulgaria in 1878. But successive Bulgarian Governments had always opposed this for political, or rather for nationalistic, reasons. As it was claimed that large groups of Bulgarians lived in the neighbouring States it was felt that the election of a Patriarch should take place only when all these Bulgarians could come under his religious jurisdiction, i.e., when all Bulgarian territorial claims had been fulfilled. By allowing the Church to proceed with the election of its Patriarch Chervenkov has now been able to score a double success: he can pose as a friend of the Church, and he can claim that, in foreign policy, he has abandoned all grandiose nationalistic plans for territorial expansion.

The election of the Bulgarian Patriarch was interpreted by most press commentators in the West as a typical and rather unsavoury example of Communist intervention in the affairs of the Orthodox Church. The new Patriarch, Cyril, was described as a Communist stooge and his election was said to be Communist-inspired and Communist-organized. An objective examination of the facts, however, would lead to the opposite conclusion. The Church Congress itself had three candidates to consider, and not one, as is the case with every Communist-controlled election. The election of Cyril, until then Bishop of Plovdiv in Southern Bulgaria, with a large majority could hardly come as a surprise to anybody acquainted with Bulgarian Church affairs. The surprising thing was that the Communists should have allowed him to be a candidate at all. Cyril has been, for the past twenty years, one of the most outstanding and most respected personalities in the highest hierarchy of the Bulgarian Orthodox Church. His education was Western—in Zagreb, Vienna, Berlin, and Paris. He is a popular and brilliant historical writer. And he is well known for his anti-Communist views. In fact, when the Communists seized power in September 1944 he was interned in a monastery and was not allowed to exercise his functions as a Bishop for about two years. It is true that he has now been able to establish a sort of 'co-existence' agreement with the Communists, and his signature appears regularly under all the Communist 'Peace' appeals. But neither his writings nor his speeches betray any shade of Communist influence. For these reasons, his election as Patriarch cannot be considered as a successful Communist bid for the subjugation of the Bulgarian Church. On the contrary, it is a substantial victory of the Church in its struggle to win more freedom

and independence from the Communists. Of course, the agreement between the Church and the Communists should be considered a temporary phenomenon: the Communists will break it whenever they change their 'line' on Church affairs. Yet it may last for a good many years, and if it does, it may well prove beneficial to the Church and to the Bulgarian people, which is, on the whole, deeply religious. That, at least, must be the hope, and the prayer, of the leaders of the Bulgarian Orthodox Church and their new Patriarch.

Chervenkov's concession-making mood was next extended, and in good measure, to the field of foreign policy. In his September speech and in several election addresses he expressed his readiness to establish friendly relations with Turkey, Greece, and Tito's Yugoslavia. There was no trace of his familiar attacks on the 'war-mongering Turks', the Greek 'Monarcho-fascists', and the 'Belgrade gang of assassins and spies'. Chervenkov's voice was now as mild as the cooing of the peace dove itself: 'We are deeply convinced that there are no controversial and unsolved issues' between Bulgaria, on the one hand, and Turkey, Greece, and Yugoslavia, on the other, 'which cannot be fairly solved by peaceful negotiations'. For the sake of 'peace and co-operation between the nations' Bulgaria was ready 'to resume diplomatic relations with the United States' (U.S.-Bulgarian relations were broken off in February 1950, when Chervenkov accused the American Minister in Sofia of organizing the Kostov 'conspiracy'). Finally, announcing that he was going to devote himself and his Government to the 'noble aim of relaxing international tension', Chervenkov claimed that Communist Bulgaria deserved to be admitted to the United Nations.[1]

These protestations of peaceful intentions should not be dismissed as mere propaganda stunts. They probably express a genuine desire for peace, based on a real need for peace at this stage of Bulgaria's development as a Communist State. Moreover, this is true not only of Communist Bulgaria, but of all the satellites. In the past few years satellite Europe has been driven too harshly and too quickly in order to fulfil and overfulfil the ambitious but wasteful and uneconomical Communist plans for industrialization and land collectivization. The results are economic chaos, food shortages, and acute peasant poverty. A period of 'taking one step backward', to use the Lenin formula, is obviously needed. Hence the

[1] *Bulgaria Today*, Sofia, 20 September 1953.

sudden urge for political and economic concessions at home and 'relaxation of international tension' abroad. The time and peace gained will be used for completing the preparations for future and even more ruthless drives 'on the road to Socialism'. For the 'one step backward' tactic is only employed when Communists plan to make 'two steps forward', to quote the Lenin formula in full.

M. P.

Federal Finance in Switzerland

SINCE the end of the last war the tendency has grown in Switzerland for the sovereign people to reject the legislative proposals recommended to them by the Federal Council or Government (*Bundesrat*) and the Parliamentary Chambers whose members that same sovereign people has previously chosen. An important factor in this development has been the long-drawn-out dispute about taxation. Article 42 of the Constitution of 1874 only authorized the Bund, or Confederation, to levy indirect taxes and accept certain contributions from the Cantons; direct taxation was regarded as a matter for the Cantons and Communes. In the economic crisis of the early nineteen-thirties the Federal Government found it necessary to impose direct taxation as an emergency measure. Thereafter, with steadily-growing expenses, the Confederation has never been able to dispense with direct taxation in spite of the astonishing prosperity of the country and increased imports which have brought ever more indirect revenue from customs.

In June 1950 the outbreak of the Korean war created a boom which provided a special stimulus to Swiss heavy industry. But it also clinched the determination of the Swiss military chiefs to modernize and re-equip their forces, and in October 1950 the Swiss Chambers voted an extraordinary expenditure of 1,464 million Swiss francs over five years for rearmament.[1] This intensified the need for the Federal Government to raise money, since military expenditure was essentially a charge—if a separate 'extraordinary' one—upon the Federal authorities, and not upon the Cantons or Communes.

[1]See 'The Problems of Swiss Prosperity', in *The World Today*, January 1953.

To the outsider the opposition to the levying of direct taxes by the central Government seemed at first sight perplexing. On the one hand the tasks of that Government had expanded enormously, in particular on account of the protection through subsidies which it was expected to provide for any branch of the economy that staked out a claim. On the other hand the Constitution did not specifically forbid a direct federal tax; if direct taxation was assumed to be the function of the Cantons which made contributions to the Bund, by now the Bund had often provided them with financial aid. A direct federal tax was, however, made into a symbol of bureaucratic centralization—*Fiskalismus*, as it was called—by those groups in the Swiss Confederation who throve by its federal decentralization. Such was the French-speaking minority, and such were the smaller mountain Cantons which constitutionally enjoy the same status as those which are large, industrialized, and wealthy. In these latter Cantons the Socialist Party which favoured greater centralization was strong, and the direct federal tax which it supported was thus also decried as 'red'. Into the bargain, in 1943 the unenviable position of head of the Federal Ministry of Finance was allotted to Herr Nobs, the first and only Socialist among the seven members of the Federal Council. His inevitable adoption of the contemporary device by which large incomes are taxed at a progressively higher rate contributed to the bitterness of the wealthier opponents of direct federal taxation.

After a proposal from the anti-centralist politicians in favour of quotas to be provided by the Cantons to the Bund had been defeated in a popular vote on 4 June 1950 the Government brought forward an *ad hoc* four-year financial plan to run from 1 January 1951 to 31 December 1954. This was based primarily upon the continuation of the emergency direct tax called the Defence Tax, or *Wehrsteuer*—a low and gently-graded income tax whose free allowances for small incomes were at this point made more generous—for these four years. The plan was accepted on 3 December 1950, thus covering day-to-day needs for a relatively brief period. When on 6 July 1952 the Swiss public was asked to agree to a tax on alcoholic drinks and certain luxury articles in order to foot the rearmament bill, it refused to do so, only a small proportion of the electorate voting. At the time there was considerable consternation in Government circles which claimed to descry signs of an economic depression and falling customs duties while the cost of rearmament was rising. But such prophecies proved them-

selves wrong: the Swiss economy quickly righted itself and indeed very soon demonstrated an invincibly buoyant prosperity. The Federal Government therefore decided to request from the Ministry of Finance the completion of a new and permanent programme of fiscal reorganization to come into operation on 1 January 1955 and to include provision both for ordinary expenses and for the armed forces bill, thus killing two birds with one stone.

Dr Max Weber, an economist who had succeeded Herr Nobs at the end of 1951 as the representative of the Socialists and of Zürich in the Federal Council and as Minister of Finance, made it clear from the start that he and his advisers in the Ministry regarded a regularization of direct federal taxation as imperative, and this seemed to be generally accepted in the major German-speaking towns.

The French-Swiss, led by various lawyers and journalists of Lausanne, again declared their objection on principle to this modification of the Constitution. The Bundesrat thereupon proposed that the rate, duration, and incidence of the direct federal tax should be constitutionally restricted, and on 28 November 1952 instructed the Ministry of Finance to draft a constitutional amendment in this sense. To a nation such as Britain the constitutional limitation of a tax seems strange because the British Parliament is sovereign and the House of Commons free to vote any tax, however monstrous it may be. But Swiss democracy differs from that of Britain in being based upon a written Constitution, and because it is plebiscitary in character. Any constitutional change, fiscal or otherwise, must be put to the people and receive the votes of both a majority of individuals and a majority of Cantons in order to become law. Any financial innovation must be put to the people in any case: since they can only be asked to say yes or no, it must be presented to them in as clear and finite a form as possible. Above all it is desirable not to arouse the natural resistance of the average tax-payer by consulting him too frequently as to what he will pay. Hence the Swiss need for a carefully defined fiscal routine adjusted as far as possible to modern circumstances so that it works automatically and avoids the bedevilling controversy of the last fifteen or twenty years.

At last, on 23 January 1953, the Federal Council of Ministers made public the constitutional amendment they proposed to bring forward. This was discussed and itself amended by the Chamber of Deputies in their March session and in the June session by the

Council of Estates. In the September session, i.e. on 25 September, a rather mutilated compromise was accepted by the National Assembly, the two Chambers in joint session: 117 deputies voted in favour of this final form of the constitutional amendment, 37 against, and 41 abstained, while for the Council of Estates the corresponding figures were 23, 3, and 17; those who voted against were predominantly French-Swiss. It was decided to refer the project to the people on 6 December.

Basically, the four-year plan operating from 1951–54 was to be continued. The Bund was to be constitutionally entitled to levy the *Wehrsteuer* on condition that a percentage of the proceeds should be allocated to the Cantonal authorities; originally 30 per cent had been proposed, but this was subsequently reduced to 20 per cent, to be divided up so that the poorer Cantons should receive a relatively larger share. And whereas the constitutional amendment had at first been envisaged as valid for twenty years, this term was now reduced to a period of twelve years from 1 January 1955 to 31 December 1966. As for the rate and incidence of the controversial tax, for single people with more than 63,000 francs a year or for married people with more than 80,000 francs the rate of the *Wehrsteuer* was to be raised from 9·75 per cent up to a maximum of 15 per cent. This sounds very little to a British ear, but Swiss citizens, as has been seen, are liable to pay a tax on their incomes to the Communes and Cantons as well. Some increase of taxation by comparison with the four-year plan which is in operation was necessary because Dr Weber proposed at the same time to abolish the existing tax on capital, or *Vermögenssteuer*, a cancellation which would involve a loss of about 40 million francs to the Bund.

Another important section of the constitutional amendment was not concerned with direct taxation at all. On 20 April 1952 there had been a popular vote which sanctioned a purely federal tax, the Swiss purchase tax, or *Warenumsatzsteuer*. Now this too was to be incorporated in the Constitution. In this way what had been a separate luxury tax was to become a part of the purchase tax, and the tax on beer, which had not been vetoed by the Swiss public, was also to become an item on the purchase-tax list.

The case in favour of the new financial project was presented during the pre-referendum period without enthusiasm; on the contrary, it suffered from the drab publicity technique with which measures sponsored by the Federal Government are habitually afflicted. The favourite arguments used were that (1) the new pro-

ject was not new at all but a prolongation of what the country had been accustomed to for years; (2) to reject it would mean more temporary measures, with all the uncertainty which they involve, for it had become clear that no better compromise could be discovered; (3) what the Bund was demanding was only barely enough for its needs, since continuing subsidies[1], the rest of a rising rearmament bill, and at least the interest on a National Debt of over 8 milliard francs had to be paid. The abolition of the tax on capital was welcomed on all sides. As for the steeper gradation of the *Wehrsteuer* on high incomes, this was of course approved by the Socialists and in addition by a limited number of left-wing Radicals. It is of some significance that the Swiss Communists, who are too few to aim at anything but nuisance value, were all along opposed to the new federal taxation proposals. Many other of its opponents employed factious tones.

The campaign against the Government's financial proposal was based chiefly upon the following contentions: (1) direct federal taxation might be necessary for the moment but it should on no account be given constitutional recognition; once anchored in the Constitution even with severe limitations it would certainly remain for good; (2) in liberal circles, represented by the Liberal and Radical Parties, strong objections were raised to the introduction of steeper gradation for the *Wehrsteuer* on high incomes while low-level incomes remained untouched by it. This system, which is taken as a matter of course in Britain, seems to a large proportion of the conservative Swiss to spell the persecution of the wealthy minority by the poorer majority (whose vote is decisive) and as such to establish a particularly dangerous precedent. It was natural that rich bankers and industrialists regretted the possibility of this change. More surprising perhaps was the violent hostility displayed by the Swiss *Gewerbeverband* (resembling a small-traders' association) which might have been expected at least to welcome the stabilization of the purchase-tax system. At a discussion among the Zürich Radicals on 2 November the President of the *Gewerbeverband*, Herr Meyer-Boller, brought forward the objections enumerated above, protesting that direct federal taxation was increasingly revealed as class taxation. Further he voiced the dislike of heavier direct federal taxation of corporations, as now proposed, in particular because the co-operatives alone were to be let off lightly.

[1] A popular vote in March 1952 confirmed a policy of substantial protection of the Swiss farmer.

In the last few weeks before the referendum which took place on 6 December the opposition to the financial amendment to the Constitution gained force. The whole position was extremely confused, especially within the Radical Party, whose leading organ in Zürich, the *Neue Zürcher Zeitung*, and its editor-in-chief, Herr Bretscher, supported the Government's proposal, as the party had done in Parliament. But at the same time, that is to say on 2 November, the Zürich branch of the party declared against the Government, and the same kind of thing happened elsewhere. M. Pierre Béguin, editor-in-chief of the *Gazette de Lausanne*, continued as he had for years as one of the chief leaders of the French-speaking opposition. Leaflets were distributed wholesale in which above all the alleged extravagance of the Bund was attacked. Why did the Federal Budget constantly increase, they asked; why should the Confederation require an ever-growing central bureaucracy, and why should it pay more and more in subsidies? (To this question it was often replied that the most violent critics of federal *Fiskalismus* were always the first to expect subsidies if their own branch of industry or commerce ran into difficulties.) But the most telling point made by the pamphlets was probably the question why, if rearmament was to be fully paid for—as had been stated—by 1957, the Federal Government should be allowed to levy the amounts anticipated in the financial amendment up to the end of 1966. This was rank demagogy, since Dr Weber and his assistants had worked out their figures in relation to extra military expenditure to be covered at the beginning of the twelve-year period for which later revenue was to compensate. Further, the 15 per cent limit to the rate of the *Wehrsteuer* was a ceiling; the Government need not ask for that rate if their bills should be reduced. To guard against official extravagance the new project had also incorporated a section of the current four-year plan which is called the *Ausgabenbremse*, or check on expenditure: according to this a decision to spend 5 million francs on a single occasion, or to spend 250,000 francs repeatedly, requires an absolute majority in both Chambers unless it is in any case to be referred to the people.

On 6 December 1953 about 60 per cent of the electorate—the adult male population—went to the polling stations; this was a remarkably high figure for a federal referendum and implied that, though the public complained of feeling in the dark, people realized that an issue of unusual importance was at stake. When the votes were counted it was found that 487,364 people had voted

'no', as against 353,962 in favour; of the Cantons, twenty had voted against and only three in favour, the latter being Zürich, Uri, and the Grisons (Graubünden). The 'yes' majority was very small in Zürich, and in the actual town, as opposed to the Canton, the noes had won. The vote in favour in Uri was regarded as due to that Canton's dependence—since it is small and poor—upon subsidies from the Bund to maintain its long stretches of mountain roads. In the Grisons help from the Confederation was needed for the local railways which were in difficulties. Otherwise the poor mountain Cantons had not been won over by the plan to increase their share of *Wehrsteuer* proceeds.

It was notable that French Switzerland voted solidly against what its enemies had named the 'Lex Weber': the biggest hostile majorities were recorded in the two most important French-speaking Cantons—20,614 to 3,308 in Geneva, and 40,597 to 14,515 in the Vaud. The Catholic-Conservative strongholds of Lucerne and Fribourg were also strongly opposed to the Bundesrat's financial proposal.

On 7 December the Federal Government published a statement accepting the defeat of the constitutional amendment which it had so arduously worked out, but referring in slightly schoolmistress-like fashion to the 'reprehensible methods' which had been used to bring about this negative result. For some time the influence of wealthy pressure groups and their propaganda bureaux upon the working of direct—or, as the expert, Professor Hans Huber, prefers to call it, semi-direct—democracy in Switzerland has caused concern to Swiss political observers whether of the left, the centre, or the right. By now the exploitation of the citizen's natural defensive instincts towards taxation threatens the very operation of the Swiss Constitution in anything like its original form.

On the same day, 7 December, as if to illustrate that the Swiss political tradition was shaken, the resignation of Dr Max Weber was announced. For whereas a Minister whose work is roundly condemned by the British electorate has no other choice than to resign, one of the principles of the Swiss Constitution is that the seven members of the Bundesrat are 'irresponsible' and retain office, regardless of referenda, from the time of their election by a newly elected National Assembly to the end of its four-year term. Dr Weber, however, insisted that he had no choice but to resign; he would not consider exchanging the Ministry of Finance for another Department. This implied that the Socialist Party wished

to put an end to the ten-year old experiment of having one Socialist member of the Government in harness with six anti-Socialists. Since the introduction of proportional representation in 1918 the Social Democrats had been one of the three big parties in the Chamber of Deputies, representing at least a quarter of the electorate. At the end of 1943 the existing Swiss Government decided to bring a Socialist representative into the Federal Council, partly because the Socialists had displayed an impeccable patriotism in the face of Hitler's threats, partly because the Zeitgeist seemed to dictate a not too rigid opposition to socialistic reform. Into the bargain the Social Democrat Party, or at any rate its trade union wing, had become gradualist instead of revolutionary. To a British observer, again, it seemed arithmetically odd to invite only one Socialist into the Bundesrat if the latter was intended to mirror the country's political views. Since the other six Federal Councillors were *bürgerliche*, it again seemed strange that they should entrust, of all Ministries, that of Finance to the Socialist newcomer.

Although their motives were originally questioned, in the course of the fiscal disputes between 1950 and 1953 it was clear that, while Herr Nobs and then Dr Weber came a good way to meet them, the other Ministers showed solidarity with them in trying to find a financial solution. The position of Dr Weber had, however, become increasingly paradoxical, for he was accused at one and the same time of betraying his own party, of revolutionizing Switzerland, and, thirdly, of making a useless compromise. If the Socialists, whose press on 7 December defined the result of the referendum as 'the break-down of bourgeois government'[1], now decide to return to being a party of opposition, another step away from the Swiss conception towards the British type of constitutionalism would seem for the time being to have been taken. The non-Socialist press was alarmed by this deviation from stability towards, as they claimed to fear, the Cabinet crises of France. Dr Weber's successor was to be elected on 22 December: thus at the time of writing the result was not known, but on 13 December the Socialist Party Executive, adopted by 62 to 1 a decision to renounce their seat on the Bundesrat. E. W.

[1]It was pointed out that the whole non-Socialist press of the country, with the two exceptions of the *Neue Zürcher Zeitung* and the *National Zeitung* of Basle, had come out against the constitutional amendment proposed by the non-Socialist Government which the country itself had chosen.

PRINTED IN GREAT BRITAIN AT THE BROADWATER PRESS, WELWYN GARDEN CITY, HERTFORDSHIRE

THE WORLD TODAY

Volume 10 No. 2 February 1954

*

Notes of the Month

Germany and the Berlin Conference

THE attitude to the Berlin Conference of the man in the street in Western Germany appears to be one of lively interest but little hope. The attitude in the Russian zone, is for obvious reasons, more difficult to assess; but the Federal Minister for Refugees has been reported as saying that he expects an increased influx of refugees from that zone in the event of the Conference failing. Failure must in this sense be taken to mean that the hopes of German re-unification are disappointed.

Dr Adenauer has described free all-German elections as the central question of the Conference. How much real hope there is of free elections coming about is difficult to say. But there has already been much discussion at Bonn and in Paris (between Allied representatives and Professor Grewe, the Special Plenipotentiary of the Federal Government for the Berlin Conference—at which it will not be represented) on the steps that would follow the establishment of an all-German National or Constituent Assembly.

There is agreement—at least in Western Germany—on the need for free all-German elections. There is seeming agreement even in official quarters in the Russian zone. But here the Eastern propaganda campaign which accompanied the West German September elections must not be forgotten. At the time these were described as 'terror elections' and their results were said not to be the free expression of the people's will; more recently Ulbricht has referred to them as 'the wrong decision of the West German electorate'. Herr Grotewohl in a recent article, after a diatribe against the militarism and fascism of Bonn, came to the conclusion that Adenauer's 'all-German elections, suddenly described as a "central question", are . . . purely military elections. As regards elections, the people want to know first what sort of a State they are voting

for'. He once more rejected as an insult the suggestion of a neutral commission to supervise the freedom of elections. 'The German people has enough experience in the holding of elections. It is not a colonial people.' Grotewohl referred to Herr Ulbricht's proposal of 25 November 1953 and to the petition demanding German participation in the Conference. This November proposal in its turn referred to the resolutions and proposals of the People's Chamber of 19 September 1952 and 26 August 1953, which were unacceptable to the West.

A major point at issue concerns the framing of the law for all-German elections. The demand for a uniform electoral law is reiterated by both Germanies which have in fact drafted mutually incompatible laws. It is important to keep in mind what spokesmen of the Socialist Unity Party and the Democratic Republic mean by a 'really democratic' election. They mean, among other things, a provision permitting 'democratic organizations' as well as recognized parties to put up candidates, and the possibility of forming electoral blocs. But as even these expedients could hardly produce results sufficiently favourable to them in free elections, they make assurance (of no such elections taking place) doubly sure, on the one hand by renewing charges about American crimes against the peace-loving population of the German Democratic Republic and the fascist nature of the Adenauer regime, and, on the other, by rejecting the proposal of neutral inspection.

There is thus a deadlock between the Governments and Parliaments of the Federal and Democratic Republics, with both sides apparently demanding free elections, but meaning different things thereby. This deadlock might be resolved at the Allied level, if the status of a future united Germany could be agreed upon. Since really free elections would result, not in an 'Anschluss' of the German Democratic Republic, as is alleged by that side, but certainly in an assimilation of its 18 million inhabitants to something like Western conditions, it is clear that the Russians will not agree to such elections without some safeguards for the future. The West German Social Democrats appeared anxious to reassure the Russians on this point even before the Conference. But Dr Adenauer has recently introduced his Defence Amendment of the Basic Law without having obtained the Opposition's agreement. They denounced this action as 'sabotage' of the Conference and could, apparently, not even be convinced of the usefulness of such a further commitment to the European Defence Community as a

possible bargaining counter. The Conference may show which side was more realistic.

The South Korea-Japan Fishery Dispute

RECENT relations between Japan and the Republic of Korea have been marked by frequent disputes. One of the main sources of disagreement has been that of fishing grounds. The Supreme Commander for the Allied Powers (SCAP) limited the area available to Japanese fishing vessels on 20 August 1945 for reasons of military security. The first official 'MacArthur Line' was established in September 1945 and marked out the area available for Japanese fishing and whaling operations. The line was extended in November 1945, June 1946, and September 1949, and eventually enclosed a considerable area, reaching far out into the Pacific on the east, and passing through the Sea of Japan and the East China Sea and approaching the north-west coast of Formosa on the west. The area was further extended in May 1950 for tuna fishing only. But it still excluded large areas in which the Japanese had fished before the war.

The responsibility for controlling Japanese fishing boats was assigned to the Japanese Government, and on 10 October 1949 the Supreme Commander granted the Government's request that it be allowed to establish a Fisheries' Inspection Service whose boats would patrol the MacArthur Line, and a certain area beyond it. Despite this precaution, however, Japanese fishing boats were repeatedly seized by foreign ships; on 15 November 1952 the Maritime Safety Board gave the total of boats seized since 1945 as 468: China had seized 88, the U.S.S.R. 195, Korea 131, and Nationalist China 54; of these a total of 255 had been returned. The MacArthur Line restrictions were finally abolished by a SCAP Memorandum to the Japanese Government on 25 April 1952, three days before the Peace Treaty came into effect.

With the end of the occupation the Japanese insisted that they were within their rights in fishing to within twelve miles of Korea. But the Korean Government maintained that the restrictions imposed by the MacArthur Line remained in force, and on 18 January 1952 President Syngman Rhee made a proclamation of Korean sovereignty over all Korean coastal waters—which he claimed reached in places up to a distance of over 100 miles from the shore. The area off Korea which would have been available to Japanese fishing, had the claim been accepted, would have been

even less than under the MacArthur Line, and the Japanese Foreign Office immediately issued a protest, which described the 'Rhee Line' as 'violating the principles of the freedom of the high seas'. Nevertheless on 27 January 1952 the Republic of Korea reasserted its claim and in rejecting the Japanese protest argued that the Rhee Line was as much a restriction on Koreans as on Japanese in that it 'set limitations on the Koreans as well as on the Japanese, in order to prevent the exhaustible type of natural wealth in the . . . area from being exploited'. It did not say what the limitations were.

A Japanese-Korean conference began in Tokyo on 15 February 1952 but was reported as broken off on 27 April. But spasmodic discussions continued, accompanied by incidents between Japanese and South Korean fishing vessels which culminated on 4 February 1953 with the shooting, off Cheju Island, of a Japanese fisherman. The Japanese Lower House Fishery Committee was informed on 17 February 1953 that, as a result of this, the Maritime Safety Board had decided to arm the Japanese patrol boats which accompanied fishing craft at sea with small-calibre guns.

On 27 September 1952 General Mark Clark announced that the U.S. Navy had imposed a 'sea defence zone' around the Korean peninsula, its main purpose being to 'eliminate infiltration of enemy agents'. The 'Clark Line' extended from a point in the sea twelve miles offshore from the Russian border on the east coast of Korea to the islands along the south coast and thence along the west coast to a point twelve miles off the Manchurian border and enclosed a smaller area than the Rhee Line; any ship entering this blockade area was subject to search. The Clark Line was suspended on 26 August 1953. The Koreans protested at this and announced that they would enforce the Rhee Line, and that all Japanese fishing boats operating inside it would be evicted.

The latest in a series of discussions between Japan and Korea on the fisheries dispute and other problems opened in Tokyo on 15 April 1953. These talks went into 'indefinite recess' in July, but representatives met again in Tokyo in the second week of October, in another effort to 'achieve understanding and co-operation'. These discussions, however, were broken off on 21 October by the Korean delegate, after acrimonious argument over the date on which Korea gained her independence. Since then the two parties have engaged in mutual recrimination. But on 12 January the Japanese Foreign Minister is reported to have said that 'thanks to the good offices of the U.S.A.' it was hoped to resume talks.

President Eisenhower Takes The Initiative

ng .State of the Union Message to Congress on 7 January, ich ap Eisenhower congratulated his fellow Americans on the their coegic change in the world during the past year. 'The o makis becoming ours. Our policy, not limited to mere re-mic gainst crises imposed by others, is free to develop along iredt our choice not only abroad but also at home.' The im-diate cause of this change was the end of the fighting in Korea, l the President had earlier made it clear that he had no intention allowing American troops to be drawn back into battle against ir country's will, either on the Korean peninsula or elsewhere the Far East. When two divisions of soldiers were withdrawn m Korea recently, it became obvious to President Rhee and neral Chiang Kai-shek that they could expect no active support m the United States if they were to attack the Chinese. France also apparently been told that only dollars, not men, are to be ected from the United States for aid in Indo-China.

On the other side of this new policy of disengagement President enhower has said that if the Communists do renew their ression, it may be answered by direct American attacks on the inese mainland. The implications of this 'instant retaliation' re later explained in more detail by the Secretary of State, Mr lles. It has been made possible by the great range of American craft and the growing number and diversity of atomic and other v weapons. So far this approach has not, oddly enough, been icized in Congress, although it can only mean that American ces may be sent into battle without Congressional permission, ossibility about which there has been bitter argument in the ent past.

Basically the new policy is one of centring American strength the American continent and in a few well-developed bases over-s, and concentrating it in the air and on the sea rather than on d. The theory is that the powerful and highly-mobile striking ces thus provided could be quickly and effectively deployed inst an aggressor and that American soldiers can therefore withdrawn from Europe and elsewhere as it becomes politically sible to do so, leaving the perimeter of the Communist world be guarded by local forces. Whether in fact things will work out

quite so neatly is debatable, but the rearmament of Germany and Japan, the agreement on Spanish bases, and the emphasis on defence pacts in Europe and the Middle East all fit into this pattern.

It is one which closely resembles that drawn by the late Sen[illegible]ed Taft, and it has now brought down on Republican hea[illegible]t the charge of 'appeasement' which only just over a year ago t[illegible]Japanese pouring on the Democrats. In practice, however, the R[illegible]Japanese, have moved into the Democratic position; the Republica[illegible]n the . . . policy of liberation for oppressed peoples, which aroused [illegible]ns were. concern in the rest of the world, has been changed back int[illegible]iary containment of Communism which Mr Acheson first propounde[illegible] It was always to some extent a bipartisan policy, and Genera[illegible] Eisenhower and Mr Dulles were always closely associated with it. But it is a policy which the Republican Administration can develo[illegible] more fully and actively than could its predecessor, for President Truman and Mr Acheson were completely hamstrung by th[illegible] irresponsible domestic attacks on their activities abroad, especiall[illegible] in the Far East. Not even President Eisenhower or Mr Dulles is safe from the China Lobby, but recently it has been unusually quiet, perhaps because one of its Congressional spokesmen, Senator Knowland, has succeeded Mr Taft as Republican leader in the Senate. But Senator McCarthy, who used to confine himself to Communists at home, has been taking an ominous interest in foreign affairs, particularly in trade between the free and the Communist worlds.

The political pressure on the previous Administration led it to acquiesce in Congressional attempts to ban such trade entirely, but one of the striking signs of the greater flexibility which the new Administration has gained, not so much by its own efforts as because it is not Democratic (and also of course because the fighting is over in Korea), is that it is able to relax some of the restrictions on exports. It is beginning to consider whether not only allied countries but even Americans might be allowed to look behind the Iron Curtain for trade in all but the most strategic items. The cynics are naturally saying that this is because the slowing down of the rearmament programme forces Americans to look for new markets to forestall an economic depression. It is certainly true, and is recognized by the United States Administration, that with the virtual ending of dollar aid for economic purposes, and its coming decline even for military purposes, America's allies must find new ways of earning their way in the world.

Another even more striking sign of the new flexibility in
merican foreign policy, and one which has held out fresh hope to
he whole world, was President Eisenhower's proposal to the
Jnited Nations for a new co-operative approach to the problem of
ısing atomic energy for peaceful purposes. This is something
vhich appeals to almost all Americans, still obsessed with guilt
ıt their contribution to the horrors of modern warfare. It should
ılso make Congress more receptive to the changes needed in
ıtomic energy legislation if information on the subject is to be
hared more widely both with other countries and with private
ndustrial firms.

In spite of all this it is nevertheless possible to argue, with a
ood deal of justification, that President Eisenhower's new defence
olicy was forced on him by the political necessity of trying to
alance the Budget. Since cutting foreign aid to the bone is not
nough, military expenditure is the only other field in which
ubstantial sums can be saved, and they can only be saved quickly
y reducing the amount spent on paying and supplying troops.
Therefore the actual size of the army has to be cut, therefore
livisions will have to be brought home from Korea and elsewhere.
How much truth there is in this argument may become clearer
luring the debates in Congress on the defence appropriations.

The total amount of new spending authority requested for
lefence in the Budget for the 1955 fiscal year, which begins next
uly, is $31,000 million. Actual spending for military purposes,
nuch of which depends on appropriations granted by Congress in
arlier years, is put at $37,600 million, $4,000 million less than the
atest estimate for the current year. But the President insists that
he national security is being strengthened, rather than weakened,
y these savings. It is the Army which will bear the weight of the
eductions, if Congress does what the President asks; spending for
he Air Force is actually to go up slightly, in accordance with the
ew strategy. So is spending on atomic energy, for the complicated
nd expensive facilities needed in that field take much longer to
omplete than did the military expansion which, begun in 1950,
s now nearing its end. Another related activity on which spending
s to be higher in the 1955 fiscal year than in the current one is the
nilitary assistance which now makes up the major portion of the
oreign aid programme. Here, however, the request for new
pending authority, at $2,500 million, is below the 1954 appro-
riation. Economic and technical assistance, for which only $1,010

million of new authority is asked for 1955, will go almost entirely to the Far East and other non-European areas, for Europe is now considered to be very nearly able to support itself.

The effect of these reductions, coupled with the elimination of other Government expenditures which the President considers unnecessary and with greater efficiency in government, means that the deficit for the 1955 fiscal year is put at only $2,900 million, $400 million less than is now estimated for the current fiscal year. In 1955 the Government's actual cash transactions, leaving out of account the various insurance trust funds, are expected to be in balance. Total expenditures for 1955 are put at $65,600 million, compared with the latest estimate of $70,900 million for 1954, and receipts at $62,700 million, $4,900 million less than is now expected for 1954. This fall in revenue is the result of the reductions in income and corporation taxes that came into effect at the beginning of this year, and of reforms in the tax system which Congress is being asked to approve. But the President does not feel that the budgetary outlook is yet satisfactory enough for the further tax reductions that are scheduled for later this year to come into effect. Congress will probably disagree with him, which would mean a bigger deficit in 1955, unless Congress, as is also possible, refuses to allow him to spend as much as he would like.

The efforts to bring Government spending, and therefore taxation, down to a more popular level are, like the new defence strategy, all part of President Eisenhower's attempt to get United States policy on to a long-term footing which can be sustained for the many years that he believes must elapse before the Soviet menace abates. Feeling that there is no immediate threat of large-scale aggression, Mr Eisenhower wishes to break away from the atmosphere of sudden crises that has led to the post-war cycle of hurried and expensive rearmament programmes followed by equally sharp and extravagant cutbacks in military spending.

But the Administration's decision to put military spending on a steady basis came at a time when the wave of prosperity was beginning to curl over at the top, and there are many, particularly outside the United States, who fear that it is about to break. If private investment and consumer buying take up the slack left by the decline in Government spending, then the present 'inventory adjustment'—a period when over-large accumulations of stocks in the hands of manufacturers and traders are being liquidated—will not become a slump. No expert expects anything approaching

the depression of the nineteen-thirties, but the President is committed to taking action, and has already done so to some extent, should there be any sign of the recession becoming serious. He realizes, and so does his party, that the test of the Republican Administration in the eyes of the voters may be whether or not it can forestall a repetition of the economic collapse with which the party is so closely associated in popular thinking.

Mr Eisenhower's detailed proposals, which will include plans for public works, were to be put before Congress in his annual Economic Message on 28 January. The Administration already has authority, through its credit and debt management powers, to ensure that business expansion is not drastically curtailed through lack of money, and the President is also asking for tax changes to stimulate business and consumer spending. Some of his other proposals, such as the strengthening of the old age and unemployment insurance system, and of the Government's housing programme, will also encourage people to spend.

With an election coming in November, Congress is just as anxious as is the President to keep the country prosperous and is therefore likely to view these particular proposals more favourably than it might otherwise have done. For most of them have a Rooseveltian New Deal flavour that does not appeal to the conservatives who dominate the Republican party in Congress and exercise paramount authority through their committee chairmanships. The more realistic members of the party, among whom the President is now to be included, recognize and, indeed, are glad that the New Deal has become a permanent ingredient of the American scene. Even the conservatives are aware that it is one that suits the voters' taste, and the question of what the voters like will dominate Congress during the coming session. For the whole of the House of Representatives and just over one-third of the Senate are up for re-election next autumn and it can hardly fail to be a historically close fight. At the moment the odds are on the Democrats, and one of the President's most pointed arguments to his fellow Republicans in Congress is that they will not deserve to be re-elected if they do not support the programme that he is putting before them for the coming session.

In that programme he has made substantial concessions to McCarthyism, even though he, in avowed disagreement with Senator McCarthy, insists that Communism in America will not be an issue next November, since by that time this poison will

have been driven out of the Government. But the President has asked for legislation which would, in effect, deprive anyone convicted of being an active member of the Communist Party of his American citizenship, even though he was native born. Congress greeted this request with rapturous enthusiasm at first hearing, but it is having second thoughts about whether it is desirable and can have any useful effect, or is even constitutional. Controversy over constitutional rights will also arise over the Attorney-General's requests for legislation, designed to facilitate the prosecution of subversive elements, which will permit the use in the courts of evidence obtained by wire-tapping and will make it impossible for witnesses to claim their constitutional immunity from self-incrimination as a reason for refusing to give evidence before Congressional committees.

Whatever may be the reaction of the voters to these attempts to guide McCarthyism into respectable channels, there are many of them who would undoubtedly be alienated by three of the President's most important proposals, which for this reason are unlikely to get through Congress in anything approaching the form he has requested. Indeed, the Taft-Hartley Labour Act may not be touched at this session, for the need to amend it is not pressing and the changes which the President wants please neither trade unionists nor business men. Similarly his agricultural proposals, steering a middle course between farmers and tax-paying consumers, appeal to neither; for they would mean lower price supports for agricultural products, but they would come into force so gradually, in order to cushion the fall in farm prices, that any relief to either taxpayers or housewives would be postponed until 1956 or later. Here, however, something must be done, since the existing legislation, which has built up huge stocks in Government hands and is costing millions of dollars, expires at the end of 1954.

The details of the President's third controversial proposal, the creation of a healthier and freer system of international trade and payments, are waiting for the publication of the report of the Randall Commission on Foreign Economic Policies, due on 23 January. It is already known that there will be several dissents to the main report. Even a unanimous report on such a subject would have had difficulty in getting past the opposition of members of Congress from districts dependent on such industries as watchmaking or lead mining, which are already suffering severely

from foreign competition. If the recession materializes there will be many more depressed districts.

Even if the President could count on the votes of all the Republicans in Congress, he would not have a party majority for his proposals in the Senate, in which the Democrats have now a technical majority of one vote; even in the House of Representatives the Republican majority is infinitesimal. The margin was not quite so close during the last session of Congress—deaths and by-elections during the summer have narrowed it—but even then the situation was very uncomfortable. For well over half his victories on important issues the President had to rely on Democratic votes. The Democrats are still expected to support him in large numbers on foreign policy, but the approaching election will make them even less willing than they were to pull Republican chestnuts out of the fire. Their reluctance has also been increased in recent weeks by the unpleasant personal attacks on Mr Truman from such leading and supposedly liberal Republicans as the Attorney General, Mr Brownell, and Governor Dewey of New York.

If the President had put his present programme before Congress when he first took office a year ago, he would still have had the prestige of his popular victory upon him and Congress would not have been in the shadow of a coming election, or in the hurry to get home that an election engenders. He himself would say that he needed a year to clean up the mess the Democrats had left in Washington, to get rid of disloyal and incompetent civil servants, and to find out exactly how the country stood. It was probably advisable for a party that had been out of office for twenty years, and almost certainly for a President who had no experience of executive responsibility and was in the habit of taking advice, to spend a long time in study before producing a programme. But now that the President has made up his mind and learnt his job, and the numerous commissions he appointed are telling him what should be done, his initiative has taken the almost unmanageable form of over twenty proposals for Congressional action, many of them complicated; to get anything accomplished at this session on more than the unavoidable modicum of appropriation Bills, extensions of expiring legislation and so on, the President will certainly have to exert pressure on Congress by all the many means, direct and indirect, in his power.

He has shown that he is now ready to do so as he was not last year, that he has realized at last that a President must be his party's

as well as his country's leader, that although he still, unlike Mr Truman, approaches the Legislature in a conciliatory mood, he is prepared to keep it firmly in check if necessary. In the final analysis his ace of trumps is his personal popularity, still as great as when he was elected, and he has already begun to appeal to the people, through his press conferences and his wireless and television appearances, over the heads of Congress.

Whether he can mobilize public support successfully and keep the initiative he has taken may be proved almost at once by the course of the Bricker Amendment in the Senate. The Republican leaders there have insisted on bringing this constitutional change to debate, and presumably to a vote, perhaps while this article is in the press, against the President's avowed and open opposition. The amendment, if passed and ratified by the necessary thirty-six states—both of which objectives Senator Bricker has a good chance of achieving—would undermine the independent treaty-making powers of the Executive. President Eisenhower, after offering to compromise, has made it clear that he will never accept the amendment as it stands and is trying to rally popular opinion against it, something that is not easy to do with such a complex legal issue.

N. B.

Eastern Germany since the Risings of June 1953

SEVEN months have passed since 17 June 1953, a date which future students of the history of the Soviet orbit are likely to consider a turning point. On that day the East German industrial workers, that very stratum of society which in theory is the ruling class in the Communist State, attempted to overthrow its rulers. The workers did not succeed, stones and bare fists being ineffective weapons against Soviet tanks. Yet by their courage and determination on that day, and since, they have taught the world, and especially the Communist rulers in Moscow and the satellite capitals, a lesson of outstanding importance. They have shown that the

human element, so contemptuously dismissed by all good Marxist-Leninists, is a factor to be reckoned with even by a Communist Government. And it is worth remembering that this was the first time since the Kronstadt naval rebellion of 1921 that such a lesson had been taught in the Soviet orbit.

At that time, in order to save the regime the Soviet Government introduced the 'New Economic Policy' (N.E.P.) to gain the support of the peasantry and to revive trade and industry in certain fields by granting a 'new deal' to private enterprise. In 1953 during the June crisis the East German Communists proclaimed a 'new course', which allegedly was to affect every aspect of the country's life. It was to restore the rule of law, to introduce a greater measure of freedom in the cultural sphere, and above all it was to improve the lot of the consumer. Some Western observers have tended to describe this policy, and the similar measures in Hungary and Rumania, as a present-day N.E.P. It is interesting to note that the Communist leaders themselves have been at pains to refute this by pointing out that historic conditions today are quite different from those prevailing in 1921. In proclaiming a 'new course' during the June crisis, Ulbricht, the leading East German Communist, and his Soviet masters were acting in accordance with Lenin's dictum that tactics should be adapted whenever required but that 'the important and the only theoretically correct thing is not to cast out the old basic programme'.

If this is borne in mind it is not really surprising that less than two months after its promulgation almost any trace of an apparently more liberal policy had vanished from Party statements, and that the old course with a new name was being applied with a vengeance. Nor is it surprising to anyone but a Communist that the same political and economic climate which led to the events of 17 June exists once more in Eastern Germany today. In a single issue of *Neues Deutschland*, the central organ of the Socialist Unity Party, the Communist party of Eastern Germany, one can read of the increased activities of 'enemy agents', of death sentences, of a 'Fifth Column' committing acts of 'terror and sabotage', and of 'very grave dangers to food supplies'. Recently there has been a slight change. The East Berlin papers, with an eye on the forthcoming four-Power Conference, concentrate on German reunification on a 'peaceful and democratic basis' and on the formation of an All-German Government with a 'broad' participation of the 'democratic organizations'. The provincial papers, while of

course also dealing with these topics, carry almost every day reports of arrests and trials of terrorists and saboteurs, or just 'enemies of our State', most of whom committed no other crime than to participate in the rising of 17 June. But there is complete uniformity in the absence of any evidence testifying to a speedy rise in the standard of living of the people, so loudly promised last June. On the contrary, there are all the familiar slogans of the need for higher productivity of labour and for the lowering of production costs, both of which were pre-conditions for improved consumer goods supplies and lower prices.

Propaganda, whether in the form of speeches or statistics, in Eastern Germany as in any totalitarian State is an essential means of concealing from the people the true purpose and the results of the regime's policy, of providing scapegoats for any shortcomings and diverting the public's attention from domestic problems to issues of foreign policy. This, of course, requires the most careful study of public opinion lest the propaganda ceases to affect the minds of the people. Communists to whom the absolute truth has been revealed through the study of Marxism-Leninism according to which man is but the product of his environment are consistently experiencing difficulties in keeping close contact with the 'masses' whom they claim to lead. In this respect Ulbricht and his colleagues are no exception. A most striking example was afforded last June by the official organ of the East German Communist Party. On 16 June, the day on which the first big demonstration of the workers in East Berlin took place, *Neues Deutschland* carried an article commemorating the centenary of the 1848 revolution in the course of which the 'Zeughaus' in Berlin was stormed. The headings of this article were: 'The storm breaks' and 'The workers want to secure the people's rights'. By the time the paper appeared on sale the workers had taken to the streets to do so.

It may be appropriate to outline briefly the factors leading to the crisis of which the regime seemed to be blissfully unaware, although it was entirely of its own making. In the first few months of 1953 developments were wholly determined by the policy of the 'planned building of Socialism', announced at the second Party Conference in July 1952. This entailed an even more rapid rate of expansion for heavy industry, some of the plan targets being shifted from 1955 to 1952 and 1953. It is worth remembering that in November 1951 targets for basic raw materials and certain types of heavy machinery were increased at the expense of other in-

dustries producing agricultural machinery, artificial fertilizers, and consumer goods, especially textiles. Thus the Government deliberately lowered the standard of living of the broad masses, obviously assuming that it possessed sufficient power to force through fulfilment of the plan regardless of the workers' desire for improved living conditions. According to the last quarterly report on plan fulfilment issued before 17 June, the plan was 'not fulfilled in oilseeds and milk, the results being even below those for the first quarter of 1952'. This was the Government's way of explaining the calamitous shortage of milk, margarine, and other fats which were not even available in the State shops at 'free' prices, several times above the level of the 'rationed' price. And the report went on to say that 'the difficulties known to the public were felt, especially in the supplies of fish, fish products, butter, and sugar, which were even smaller than in the first quarter of the previous year'. Potatoes, an essential part of the workers' staple diet, were disastrously short, only partly as the result of a bad harvest.

Generally speaking, the food shortage was caused by the peasants' inability and unwillingness to deliver the excessively high quotas demanded of them and the Government's failure to induce them to do so. The physical shortages were aggravated by the Government's deliberate creation of inflation, and matters grew steadily worse as the national wage bill was rising out of proportion to the total volume of production. The Government evidently hoped to control the situation by letting the excess purchasing power spend itself through rising prices, planned and unplanned.

In order to achieve further increases in production and to prevent inflation from getting out of hand, labour norms had to be raised—in other words, workers had to produce more for the same wage. For many months a campaign had been carried on to persuade workers to raise their norms voluntarily. But it became increasingly obvious that these efforts were meeting with little response and that drastic action would have to be taken. On 5 May, Karl Marx's 135th birthday, the Central Committee of the Socialist Unity Party decided on a general norm increase. On 17 May the *Taegliche Rundschau*, the organ of the Soviet authorities in Eastern Germany, expressed its approval: 'The entirely unsatisfactory computation of labour norms in our Socialist enterprises... has received too little attention. . . They have become a serious handicap to our economic and social development . . . and must be checked immediately with a view to raising them. . .' And in fact

on 28 May the East German Government decreed that norms should be generally raised by 10 per cent.

From the point of view of the worker this decision represented a severe reduction of his wages. For building workers—the leaders of the rising in East Berlin—it meant that unless a bricklayer increased his output he would lose 30 per cent of his wages, while a carpenter would lose 40 per cent. General discontent reached such a pitch that even the Government was compelled to take notice. On 9 June, a week before the rising, it suddenly openly admitted to many 'mistakes', announced a 'new course', and on 16 June repealed the norm increase. Premier Grotewohl even went so far as to state that in the past the policy of the regime had met with 'bitter resistance' on the part of the people. Yet the people's reaction must have come as a profound shock to the Communist rulers Far from welcoming the 'new course' with its proclaimed concern for the consumer's welfare, the workers rightly interpreted the new measures as a sign of weakness in the hated regime, and hoped that the time for its overthrow had come. The real significance of the events of 17 June in East Berlin and the whole of Eastern Germany is the stark fact that no dictatorship can afford to loosen its hold on those it rules without running the risk of an explosion.

Once the rising had been suppressed the customary heart-searching began, taking the usual form of 'self-criticism', but going far beyond any previous manifestation of this kind. Even the Soviet occupation authorities joined in, declaring that they too carried some responsibility for the conditions which, however mistakenly, had prompted the workers to express their discontent But, needless to say, the Party could not admit that those it claimed to lead no longer recognized its leadership. There was only one possible explanation. 'Fascist' agents had induced the workers to engage in demonstrations contrary to their own interests, and thus the rising was given the name of 'fascist provocation'. The party leaders, of course, knew full well that those 'fascist' agents sent by the West were in fact the rank and file trade unionists who still believed in the heresy of 'social democracy', of thinking that it was the task of trade unions to represent the interest of the workers and not to act as the 'transmission belts' of the Party. Thus 'social democracy', already one of the main preoccupations of Party propaganda, officially became the arch enemy and the 'twin-brother of fascism'.

Fechner, Minister of Justice, a former Social Democrat turned 'collaborator', was careless enough to declare in an interview at the beginning of July that the right to strike was guaranteed in the Constitution and that no one, not even ringleaders, must be punished on suspicion. He obviously had felt encouraged to say this as it was one of the avowed principal aims of the 'new course' to strengthen the rule of law. Twelve days later, on the same day that the East German Government once again suggested discussions on German reunification to the Federal Government, Fechner was relieved of his office on account of 'activities hostile to the Republic' and replaced by one of the most fanatical of East German Communists, Hilde Benjamin, known throughout Eastern Germany as the 'Red Guillotine'. The new Minister made no bones about the true meaning of the 'new course', declaring that Fechner's interview had 'rightly' caused protests because it made 'the fundamental mistake of justifying as a strike an attempted *coup d'état* and fascist *Putsch*'. And the legal terror which has since then been raging in Eastern Germany, with its sentences of death and long-term penal servitude against 'enemy agents' and 'ringleaders', has provided ample evidence that the courts have heeded the new Minister's warning that there must be no leniency towards 'fascist provocateurs'.

At the end of June and in July the 'bourgeois parties, the Christian Democratic Union (C.D.U.), the Liberal Democratic Party (L.P.D.), and to a lesser degree the National Democratic Party (N.P.D.), which is merely a branch of the Socialist Unity Party set up to attract former Nazis, displayed some obviously inspired activity. They suggested various reforms, including the repeal of 'oppressive' laws, and even claimed 'real rights as Opposition parties'. Yet by September they had again resumed their role of 'block parties' without any policy of their own. This did not mean, however, that the rank and file were prepared to resign themselves to this position. In the C.D.U., in particular, the situation became critical. Goetting, the general secretary, warned members not to use 'hostile arguments' or 'get involved in American war preparations'. Unless they changed their minds, not only they but also their families would suffer. But while the 'new course' is thus not to apply to the fellow-travelling political parties, it is to be introduced in the People's Chamber, the East German Parliament. Dieckmann, its non-Communist President, said in December that in future all bills would be discussed in two read-

ings instead of one, as hitherto. There is no ground for believin
that this revolutionary practice will in any way affect their unani
mous acceptance. At the end of July Matern, the Vice-Presiden
of the People's Chamber and a member of the Politbureau of th
S.E.D., warned deputies against reverting to 'obsolete forms o
parliamentary officiousness', adding that the sham controversies i
bourgeois parliaments were chiefly intended to mislead the people

In the sphere of culture in which the 'new course' was to intro
duce a greater measure of freedom, it turned out to be very short
lived indeed. On 14 July Professor Harig, Under-Secretary o
State for Universities, was allowed to make a strong attack agains
State control and tutelage of artists in which he even criticized th
work of the State Art Commission Yet only five days later *Neue
Deutschland* stated categorically that the cultural policy of th
Party was correct. It was not the State officials, but only th
'U S. Imperialists', who were enemies of progressive art. An
more recently, on 7 January, as if to put the administrative seal o
this pronouncement the Government, following the example o
the U.S S R. and the satellite countries, established a Ministry o
Culture under the control of the veteran Communist poet Johanne
R. Becher. Premier Grotewohl made it quite clear that th
announcement of the Ministry's formation had been carefull
timed. Its setting up 'at this particular moment is of specia
importance because German culture in its entirety must be mad
evident to the Berlin Conference'. By forming a Ministry of Cul
ture at this juncture, the East German Communists seem to en-
visage the inclusion of such a Ministry in an all-German Govern-
ment whose activities, as has been repeatedly stated, are to b
modelled on the developments in Eastern Germany. This fact als
provides evidence of the striking change in the attitude to Western
Germany which has taken place since the inception of the 'new
course'. On 9 June the S.E.D. had claimed that the 'new course'
aimed at the restoration of Germany's unity, which required
measures on both sides to enable the two parts of Germany to
'draw nearer' to one another. Three months later it was no longer
a question of 'drawing nearer', but of the 'liberation' of Western
Germany once more.

Thus we see that in the political and cultural sphere the 'new
course' was liquidated almost as soon as it was announced. What
then of its promises to improve the social position of workers and
to raise their standard of living? On 20 June the trade unions were

ld that 'at present' their main task was to represent 'honestly and nscientiously the workers' interests in their struggle for better ving conditions', economically as well as culturally. Yet three onths later Ulbricht reprimanded trade union executives for aving made the 'mistake' of putting forward claims which in-uded 'provocative demands of enemy agencies': the yardstick for e efficiency of a trade union, he said, should be, not the passing n of 'impossible' demands, but insistence on the carrying out of e collective works agreements under which the workers commit emselves to raising the level of productivity. At the beginning of ıne workers were told that their standard of living would be ised, not by increased effort on their part, but by economies in e 'heavy and armaments industries'. In July wage increases for e lower wage groups were granted, and they came into force on August. Reductions in wage rates introduced after 1 January 953 were cancelled. It was clear, however, that this considerable crease of purchasing power, added to by wage tax changes and ductions in the price of a number of consumer goods, would ave to be neutralized by increased output. By September the overnment again felt sufficiently secure to tackle this problem. three-shift system, its spokesmen said, would have to be worked the consumer goods industries, and there was to be a 'sub-antial increase' in productivity of labour in all branches of in-ustry, operated in such a way that productivity would rise more viftly than wages. An ominous compulsory element was intro-uced whose effects will be fully felt only in the current year. stead of reducing wage rates, as previously, a higher level of ıalification for each individual wage group is now being intro-uced. The determination of the level of qualification provides e regime with an effective instrument for reducing wages without tually saying so.

An important event announced after the return of a Govern-ent delegation from Moscow at the end of August was the ter-mination of reparation deliveries to the U.S.S.R. Apart from the ct that such an announcement was probably considered good opaganda for the West German election campaign in September, ere could be little doubt that the 'new course' required such a ep. As in all satellite countries, inflation has always been rampant Eastern Germany, and an important contributory factor was e large volume of reparations for which no counter-deliveries ere received. Moreover, while it is not possible to provide exact

figures, Western experts agree that by May 1950 the U.S.S.R. had already received the $10,000 million due to her in reparations. At that time the Soviet Government announced that it was going to halve the demands for reparations and would claim merely another $3,000 million, to be delivered over the next fifteen years. In fact this alleged concession merely represented an additional demand. West German observers maintain that this amount had actually been supplied by the middle of last year.

What appears to be happening in Eastern Germany now is the replacement of naked exploitation in the form of reparations by the yet more extensive application of the indirect method. The communiqué issued after the Soviet-German talks in Moscow in August contained the significant statement that 'an agreement was also reached on certain other questions concerning the strengthening and development of economic, cultural, scientific, and technical co-operation between the U.S S.R. and the German Democratic Republic'. This is the phraseology used when referring to the development of economic integration as organized by the Council for Mutual Economic Aid in Moscow. Since such agreements already existed between the U.S.S.R. and Eastern Germany, it seems likely that the new agreement was to deal with the situation created by the termination of reparations.

The handing-back of thirty-three hitherto Soviet-owned industrial enterprises, also agreed upon during the Moscow talks last August, at first sight looks like a real strengthening of the East German economy. But as these enterprises produce mainly machinery, chemicals, and electrical equipment, the very goods which the U.S.S.R. and her satellites require, it does not seem likely that the East German consumer will benefit to any great extent. There is one Soviet-owned industrial enterprise in Eastern Germany which is not included in the list of enterprises to be returned to East German ownership. This is the Wismuth AG, which was to be operated as a joint Soviet-East German company; but there has been no recent news of this experiment. This company represents the largest industrial organization in East Germany, with a total staff of something like 150,000 workers. Its main task is the mining of uranium ores required for the manufacture of atomic bombs.

The *raison d'être* of the 'new course' is the improvement of the workers' standard of living. Yet it should be pointed out that there have never been any sweeping promises as to a reversal of economic

icy. Admittedly, for some time after 17 June the phrase
ilding of Socialism' disappeared from Party propaganda; but
revisions of the plans announced, and the comments by the
ders of the regime, made it abundantly clear that there was to be
real deviation from the former path. Expansion of heavy in-
stry, as against production, was to be 'somewhat curtailed'. In
case of the chemical industry production is reduced, the reason
ng that the chemical industry is one of the largest users of
ctricity. The Government is greatly concerned at the public's
content with power cuts which continue to occur at all times,
n outside official peak load hours. Consumer goods targets
re to exceed the 1955 targets of the Five-Year Plan. These, it
uld be remembered, were fixed when the development of
ivy industry at all costs was still the watch-word. Any doubts
to the use which might be made of any available industrial
cess capacity were removed by the Chairman of the Planning
mmission when he stated that it was mainly to be utilized for
port'. Vice-Premier Ulbricht has given some details regarding
st German export plans. He disclosed that in 1954 the volume
Eastern Germany's foreign trade would increase by roughly
00 million roubles as compared with 1953. This, he said, would
d to a 'considerable expansion of the exchange of goods with
Soviet Union and the other countries of the democratic world
rket'. If this ambitious plan is carried out it will mean that
stern Germany will double her exports to the Soviet bloc within
next year.

At the end of 1953 the supply position of food and industrial
nsumer goods remained as difficult as ever. After 17 June
empts were made to improve supplies by imports, but the
sition is still highly unsatisfactory as to both quantity and
ality. Meat, fats, sugar, milk, potatoes, and domestic coal re-
in rationed. The honouring of rations, especially of fats and
tatoes, is meeting with difficulties. As for textiles, all the East
rman papers almost daily carry letters complaining about short-
s and poor quality. The Minister of Light Industry at the end
November admitted that winter coats for adults and children
re almost unobtainable and that generally speaking the 'almost
ditional' system of putting bathing trunks on sale in the winter
l winter coats in the summer was once more in operation. For
first time since 1951 the State shops have made some consider-
e price reductions for a number of textile and industrial con-

sumer goods, as well as for some foodstuffs. But even these new prices are three times as high as the prices of rationed foodstuffs. Textiles are no longer subject to administrative rationing but are rationed by the purse. It is indicative of the raw material position of Eastern Germany that only the prices of textiles made of staple fibre and cotton have been reduced. The prices of all woollen and mixed goods, which are in very short supply, remain unchanged. In the past price reductions were only made if production had increased. This time, according to planning reports, this was not the case. The cuts are obviously intended to act as an incentive and to anticipate a future increase of output. In any case, they are indicative of the precarious political and economic situation in which a manifestly inflationary measure of this kind has proved necessary. In view of the high price level in the State shops, only the higher income groups can hope to benefit from these price cuts, since people with lower incomes, the majority of the population, cannot afford to purchase unrationed goods to any extent

In no other sphere did the 'building of Socialism' have such disastrous consequences as in agriculture. If the 'new course' was really meant to improve food supplies for the consumer, the regime could only give proof of its intentions by a change in its agricultural policy of collectivization and class warfare in the countryside. After all, it was as a direct result of the 'building of Socialism' that thousands of peasants left their farms and fled to the West and more than a tenth of the good agricultural land available remained untilled or was only insufficiently cultivated. Thus there was nothing surprising about the Party's references in July to 'wrong attempts' at displacing and liquidating the owners of large farms, a policy which 'adversely affected supplies to the population'. Government decisions providing for the fixing of delivery quotas in excess of economic resources were now said to have been 'wrong'. Yet less than two months later the original theme was revived and still persists—that of the 'old village exploiters who would like to regain their lost dominance over the small and medium farmers', and who are sabotaging their delivery obligations. In June promises were made as to sweeping reductions of delivery quotas of crops and livestock, but the changes announced were of a minor character and did not lead to any real easing of the peasant's lot. Once the harvest was over Ulbricht calmly declared that collectivization, officially stopped in June, could be resumed. In recent months the authorities have been complaining that the

peasants are slow in their deliveries. The reason is probably that the peasants doubt whether the State will be able to provide the necessary fodder and seeds for next year's deliveries. There are grounds for believing that pressure on the peasants is again increasing; and this is borne out by a rise in the number of peasants among the refugees arriving in West Berlin.

Finally, what of the position of the private trader and manufacturer whose usefulness was re-discovered by the 'new course'? For a time the private sector did in fact benefit. Slightly better treatment was accorded to it in the allocation of raw materials, and the tax gatherers were somewhat less drastic in their collection methods. But in September private retailers were told that they could receive supplies only 'if there are not sufficient State shops or consumer co-operatives in the district'. Lately, according to reports from refugees, the situation is again deteriorating, especially as far as raw material supplies are concerned. It seems likely that, at least for the time being, there will be no complete reversal of policy, as private enterprise is still believed to be able to help in the increase of consumer goods supplies; but there is no reason to assume that there has been any change in long-term strategy.

All the available evidence would seem to show that the Government's attempts at regaining the confidence of the population are proving unsuccessful. Hence the intensification of terror measures which indicate that the regime has not yet recovered from the shock it suffered on 17 June. It appears that the East German Communists are following a dual policy, the mailed fist for all potential or actual opposition, a promise of better food conditions for all who toe the line and fulfil their norms. If any 'success' can be claimed for the 'new course' it is that it has probably aggravated the condition which it was meant to cure.

A. N. P.

The Eighth Assembly of the United Nations

A STRANGER, reading for the first time the book of resolutions of session of the United Nations General Assembly, might well b impressed by the scope, contentiousness, and variety of its subje matter, and by the fact that any agreement at all could be reache between sixty nations on most of the subjects contained in it. O further study, he might also be surprised at the caution, obvious ness, or general innocuousness of the operative parts of th resolutions adopted. Amid the luxuriant preambles, burgeonin with good intentions, few clear executive statements or directive are to be found, and unpleasant truths tend to be portrayed i honeyed words. The General Assembly 'expresses its grave con cern at'—'renews its appeal for the reduction of tension'– 'suggests that the Disarmament Commission study the desi ability of'—'further suggests'—'condemns' (though not ver often)—'again calls upon the Government of'—'reaffirms th principle that'—'requests the Secretary-General to', and so or The process of imposing moral obligations on sovereign State must inevitably be a tentative and difficult one.

Despite its tameness, this book of resolutions would have bee unthinkable twenty years ago It is the record for a given year c the widest obtainable consensus of opinion of sixty nations in world organization from which no Power, great or small, wishes t be absent. Before this organization the most difficult problems c the century are set out and debated with an outspokenness tha would have appalled any former generation of diplomats. I addition to its immediate political preoccupations, the organizatio is making a serious and comprehensive effort to tackle problem outside the strictly political field, problems in which the causes o war and international discontent lie deeply embedded, problem of economic and social adjustment and of 'colonialism', of defini tion, and of law. To the solution of these problems and to the sup port, both moral and financial, of the activities of the Unite Nations, all countries are increasingly making their contributions

It should also be remembered that the United Nations meets i the world's most urban, and possibly its most active, city, a fac which, if it causes on occasion some discomfort, irritation, o fatigue to diplomats, also provides the proceedings with a larg

measure of vitality, realism, and lack of complacency. The attention of a numerous and indefatigable body of journalists and commentators, and the watchful eye of the world's biggest television audience, distracting as they may be to traditional forms of diplomacy, undoubtedly ensure an uncloistered and contemporary atmosphere, which is entirely appropriate for an organization whose Charter opens with the words 'We, the peoples of the United Nations. . .'

When all this has been said, it must be admitted that progress is slow and hesitating, and that marking time was the characteristic activity of the eighth session of the General Assembly, which finished its three months' session on 9 December 1953. Two circumstances made this characteristic all the more marked. First, this was the first session of the Assembly since the armistice in Korea and the death of Stalin, and an improvement in the international climate was to be expected. At the beginning of the session, therefore, a friendly mood prevailed, mixed with a cautious expectation that some real progress might be made on some of the fundamental disagreements of international life. This expectation proved largely illusory, although the debates were marked with more restraint and, on the whole, less asperity than in previous years. Secondly, the major centres of international political interest were, during almost the whole session, outside the General Assembly Hall, at Panmunjom, and latterly at Bermuda. Two other immediate political problems, Trieste and Arab-Israeli tension in its various manifestations, were being dealt with in the Security Council. There was, therefore, a widespread desire not to prejudice the success of these other meetings, and only in its closing week did the Assembly briefly take the centre of the international stage with the address of President Eisenhower on atomic energy.

After the customary failure of the Soviet motion on Chinese representation, the Assembly elected Mrs Pandit of India as its President, an election that was in some degree an atonement by the United States for its previous refusal to include India in the Korean political conference. The opening general debate revealed little new, except a reinforced desire for conciliation and coexistence. It did, however, set the tone for much of the work which followed. Mr Dulles's firm and moderate review of East-West problems and his demand for practical evidence of Soviet good intentions provided welcome proof that American foreign policy is in fact very far removed from the strident irresponsibility of

certain vocal minorities in the United States. His appeal for a return to the processes of peaceful negotiation was forcefully backed up by Mr Selwyn Lloyd. In a powerful speech defending the role and importance of the United Nations, he pointed out that the twentieth century had had little experience of peace by negotiation, since its two great wars had both been fought to a finish, whereas in former times wars were usually ended by honourable negotiation before one nation had completely torn the heart out of another. This more civilized practice was much to be desired and was in no sense 'appeasement', a word used by some people in the free world whenever an agreement with the Eastern European States was suggested. These two speeches and President Eisenhower's appearance two months later were especially valuable in reasserting the responsibility and moderation of Western leadership.

Many other speakers pointed to Korea, Germany, and Austria as good subjects for proof by deeds for the Soviet Union. Most speakers dealt in one way or another with the same topics: East-West relations, disarmament, Korea, the revision of the Charter, colonialism in general or in particular, and economic development, but with greatly differing emphasis. In the speeches of all the Asian and many of the Latin American delegates colonialism and economic development held the place of honour, combined with far more explicit expositions of the so-called 'neutral' position in the East-West struggle than have previously been heard. This fact, combined with Mrs Pandit's presidency and the admiration aroused on all sides by the bearing of General Thimayya and his Indian troops in the Korean prisoner exchange, has provided a valuable balancing element in the East-West see-saw that has so often before been the dominating movement in the General Assembly debates. There is also a growing tendency on the part of Asian delegates, who take each year an increasingly important part in the Assembly, to appeal to the Western Powers to live up to their own high-sounding declarations in dealing with such problems as Tunis, Morocco, or conditions in South Africa.

The Assembly, having made its proposals for a political conference in the previous August, did not discuss in detail the political and military problems of Korea, despite an attempt by Mr Vyshinsky to rekindle old arguments concerning the composition of the conference on the basis of the objection of the Chinese Communists and North Koreans to the Assembly's previous

ecision. Although this item of business was rejected, it served a seful purpose in eliciting from the United States delegation an greement that the conference itself might co-opt additional nembers and a proposal for a speedy meeting of representatives f both sides to discuss detailed arrangements.

There were, however, incidental fireworks around the Korean uestion. Soviet charges of bacteriological warfare were answered vith remarkable professional effect by the famous American urgeon Dr Mayo and referred to a commission of inquiry. merican counter-charges of atrocities against prisoners of war, ll too authentically documented, were dealt with in a mildly ondemnatory and somewhat embarrassed resolution, the question eing one on which the Assembly's debate could at best be athetically ineffective.

In the absence of a debate on Korea, the succeeding frustrations f Panmunjom hung heavily over the whole session so that, at the nstance of Mr Menon of India, the Assembly on its last day ecided to recess rather than to adjourn and asked the President o reconvene it, with the concurrence of the majority, if she hought developments in Korea warranted such action or if one or nore Member States requested it.

The Assembly did consider one aspect of the Korean question, amely the programme of the United Nations Korean Reconstruction Agency, in detail. Faced since the cease-fire with a large part f the immense task of reviving the shattered economy of Korea, he Agency has not as yet received the necessary support from the arge majority of Governments to fulfil the $250 million threeear programme approved for it by a previous session. The Assembly heard moving descriptions of the problems to be faced nd appeals for more support from the United Nations Agent-General in Korea and from Mr Henry Ford, the American delegate. The Agency's importance is by no means restricted to Korea. Support of its work is also a vital test of the willingness of he international community to back up military arrangements for ollective security with economic assistance to the victims of ggression. Upon the results of this test much of the success and olidarity of future collective actions and the confidence of small ations in those actions may well depend.

The two most important general political questions, disarmament and the possible revision of the Charter, were turned over y the General Assembly and then left much as they were before.

On disarmament, after a long and arduous debate, a resolution wa adopted unanimously (the Russians abstaining), of which the bes that could be said was that it established a framework withir which the Disarmament Commission could make progress, 'providing', as Mr Cabot Lodge said, 'the Soviet Union desires progress to be made', and envisaged private meetings of the grea Powers to seek acceptable solutions. The Soviet objections anc the rejection of their old counter-proposals did not force them int voting against the resolution, and this may be taken as a small sigr of grace. Perhaps the most original feature of the debate was th inclusion in an early draft, ultimately deleted, of a proposal tha part of the savings from eventual disarmament might go into special international fund for economic development, a suggestior originally made by President Eisenhower, of which more wil doubtless be heard in the future.

But the most important development in the disarmament question, and perhaps in the whole session of the Assembly, was th speech of President Eisenhower on atomic energy. Quite apart fron its general effect in reasserting the firm liberal leadership of th United States in world affairs and its support of the Unitec Nations, and in displaying the hitherto almost unused possibilitie which the United Nations offers to heads of States for reaching anc influencing world opinion, this remarkably impressive speech ma well have a lasting influence on the whole problem of disarmamen by opening up a new and positive approach to the question o atomic energy.

The President, after a devastatingly graphic survey of the possibilities of atomic destruction, enthusiastically endorsed th Assembly's proposal for private talks among the great Powers or atomic disarmament and went on to propose an internationa atomic agency to which Governments would contribute fissionable materials from their atomic stockpiles. This agency would devise methods by which these materials could be used 'to serve the needs rather than the fears of mankind', to assist in the advancement of medicine and agriculture, and to provide power to the power-starved areas of the world. This proposal dramatically gave effect to the hope expressed by Sir Winston Churchill in the House of Commons a month before that the 'majestic possibilities' o atomic energy 'ought to gleam and be made to gleam before the eyes of the populations in every land and inspire the councils o all who take responsibility for their guidance'. Such an arrange-

ment, in which the U.S.S.R. would be an essential partner, might, in addition to its vast material possibilities, begin to diminish the destructive power of the world's atomic stockpiles, show the world that the powers of East and West are more interested in human aspirations than in building up the weapons of war, and, in breaking the inertia of fear surrounding the whole question of atomic energy, might open up new channels for constructive discussion.

Despite the difficulties of security and national advantage with which any proposal on such a delicate subject inevitably bristles, the taking of a firm forward step in an area that has been dark and silent for six years, the attempt 'to find the way by which the miraculous inventiveness of man shall not be dedicated to his death but consecrated to his life', and the suggestion that such a step should be taken internationally starting from modest beginnings, is a great and courageous gesture. It is all the more so when viewed against the background of American domestic politics. In asking for a practical exploration of the 'majestic possibilities' the President contrived to break the spell that has surrounded the subject of atomic energy since 1945, and in doing so he may well have taken a historic step forward. The current discussions with the Soviet Union may soon show whether this advance can continue.

The possible revision of the Charter will certainly be much discussed in the next few sessions of the General Assembly. This time, however, the General Assembly limited itself to asking the Secretary-General to prepare suitable compilations of the documents of the San Francisco Conference and of the practice of the organs of the United Nations in its first eight years as the basis for discussion at a later session. Even so, passionate denunciations of any idea of eventual revision were aroused from Mr Vyshinsky, apparently by the probability that the veto power in the Security Council would be the main and most controversial item of any such discussion. He ascribed the whole thing to the desire of the United States to subvert the United Nations and to increase international tension, and voted against the request for even the preparation of basic documentation. As was pointed out in reply, this was one subject which might well be treated dispassionately since any revision of the Charter would itself be subject to the veto and, in any case, the effectiveness of any revision must ultimately depend not on legal changes but on the general improvement of the international climate. Moreover, it seems likely that any one of the

great Powers would ultimately be equally preoccupied with the preservation of the veto power, at any rate in a limited form.

The Assembly normally deals, usually by deferment, with certain special political problems. The most intractable of these problems, Tunisia, Morocco, the treatment of people of Indian origin in the Union of South Africa and of policies of Apartheid in the Union of South Africa, involve the domestic jurisdiction of States. With the increasing importance and articulateness of the Asian States, these questions, together with the whole range of problems of trust and non-self-governing territories dealt with by the Assembly's Fourth Committee, show very forcefully the extent and complexity of what is perhaps the largest long-term problem of the United Nations, namely the peaceful promotion of greater political and economic equality among nations and peoples. The positive approach to this problem can be seen in the Assembly's Economic and Social Committees where programmes of economic development, human rights, etc. are actively discussed and promoted, and perhaps it is through these means rather than through cut-and-dried political adjustments that these problems will finally, if gradually, find a solution.

The debates on Tunisia and Morocco, from which the French delegation again absented itself, were inconclusive in that the Committee resolutions on both questions failed to gain a two-thirds majority in the Assembly itself. The resolutions, regarded even by their sponsors as being mere pious hopes which could give but a small degree of comfort to the peoples involved, failed to gain the necessary majority because of the doubts of many delegations as to the competence of the Assembly in such matters and of their strong conviction that such questions can only be tackled realistically in negotiations between the parties concerned. No doubt these questions will serve as a rallying point for the anti-colonial Powers in general and the Arab-Asian countries in particular for many years to come. On the other hand, a far greater danger would arise if the Assembly were to over-extend itself politically on these questions in such a way as to cut itself off from reality and from the respect of responsible Governments, and thereby lose its moral authority and effectiveness.

The same is broadly true of the South African items, the question of peoples of Indian origin in South Africa and of Apartheid. On the latter subject, a special commission, which was never allowed to enter South Africa, had found in a very lengthy

eport that the policies of Apartheid were making friendly relations mong nations increasingly difficult. In the absence of any co-operation at all from the South African Government, the General Assembly asked the commission to continue its work. Another commission of good offices on the Indian question reported failure lue to similar lack of co-operation, and it also was sadly asked to ontinue. The 'solemn appeals' of the Assembly seem, as far as South Africa is concerned, to fall each year on deafer ears.

One unanimous vote on a political subject may be reported on he continuation of efforts to secure the evacuation of Chinese roops from North Burma. Despite the slowness of the evacuation ind the failure of the Chinese troops to surrender their arms, the Burmese delegation agreed to a relatively mild reaffirmatory esolution, after receiving undertakings from the United States ind Chinese delegates that the evacuation would be speeded up ind carried on in the manner previously agreed.

The Assembly's Fourth Committee, which deals with matters oncerning trust and non-self-governing territories, met for more iours than any other committee and considered problems both general and particular, the range and variety of which would equire a separate article to describe. Problems such as 'factors which should be taken into account in deciding whether a territory s or is not a territory whose people have not yet attained a full neasure of self-government', or educational conditions in non-elf-governing territories, cannot be usefully dealt with in single paragraphs, any more than can petitions on land complaints from he French Cameroons or the Togoland unification problem. In general it appears that the Asian countries have more or less lecisively taken over the leadership in anti-colonial matters from he Latin American group, whose solidarity and initiative was nuch less in evidence at this than at previous sessions. In particu-ar a few developments can be mentioned briefly. An effort by the ndian delegate to have the affairs of the Central African Federa-ion reviewed by the committee came to nothing. The question of South-West Africa maintained its status as hardy annual through he deafness of the Government of South Africa. In passing, there nay also be noted the surprise of some members of the committee t the spectacle of the United States and Puerto Rico appearing rm-in-arm to state that, as the island is now self-governing, there s no further need to send information about it to U.N.

On the economic and social side, while nothing particularly

original was achieved, a number of measures were taken solidate existing programmes and to make possible their ment in the future. In particular, an encouraging and sul debate took place on technical assistance for economic ment. This debate showed on the one hand an increased standing and appreciation by the beneficiary countries of gramme, and on the other the solid support of the more fe countries who make the programme possible. The promis debate was borne out at the pledging conference held du session at which seventy-one countries (including the Union and Poland) promised contributions to the pro totalling nearly $25 million.

The way in which the support of such programmes as th nical Assistance Programme and the United Nations Ch Fund have come to be accepted in the past few years as n and useful responsibilities of Governments, rather than as t and faintly undeserving charities, is a symptom of the strength of the idea of international co-operation and a of the progress made in spite of political frustrations. The A unanimously voted for the indefinite continuation of the Ch Fund and there are indications that it too will receive the f support that it needs.

Perhaps less promising was the very cautious debate wh place on the question of financing economic development setting up of a special United Nations fund of large pro for this purpose. Needless to say, the most vocal supporter plan are those countries which are unlikely to be able to co to it. None the less, since no less a person than President hower has himself expressed hopes that large sums may in too distant future be available from reductions in arr expenditure for this more useful and constructive purpo obviously desirable that the idea and the plans for such should be kept alive against the time when a relaxation of tension may bring them into the realm of practical affairs

On the social side the Assembly authorized the assistanc office of the High Commissioner for Refugees, and deb length, but with not much conclusiveness, the repatria prisoners of war of the second World War and forced lal also continued its study of various aspects of Human Rig social development.

Strangely enough, the Assembly's Administrative and F

Committee provided one of the most explosive political issues of the whole session. This was the question of the payment of the indemnities recommended by an Administrative Tribunal, set up by the Assembly itself for this purpose, to certain American members of the Secretariat who had been dismissed as an indirect result of the various investigations current in the United States. The American delegation, with the hot breath of McCarthy on its neck, had publicly committed itself before the opening of the session to a flat and indignant refusal to agree to this payment, despite the obvious fact that such a refusal amounted to changing the rules in the middle of the game. This position was a source of great embarrassment to the Western countries, since it provided all the possibilities of a major disagreement with the United States, and a disagreement to which the greatest possible publicity would be likely to be given in the American press. The sum involved (some $168,000) was small enough, and the United States taxes payable upon it would probably have more than covered the American share of the cost. The case was therefore one of pure and very controversial principle. In the event, however, after much preliminary rumbling and thundering, the Assembly uneasily skated round the difficulty by referring the case to the International Court of Justice for a ruling on the competence of the Tribunal, a decision which mercifully gained no publicity, since it coincided with a newspaper strike in New York.

The independence of the Secretariat, the basic principle at stake in this latter question, was reaffirmed by other decisions of the Administrative Committee, which gave the new Secretary-General the changes in staff regulations and the latitude in organizational matters which he had asked for. These measures should make it possible for him to improve both the efficiency of the Secretariat and its position *via-à-vis* outside pressures and influences. It is a tribute to Mr Hammarskjöld's standing with Governments and to his forceful intelligence and diplomatic skill that in less than one year he has got the Assembly's full support for a coherent approach to the problem of the independence and efficiency of the Secretariat, and has publicly reaffirmed the principle that the Secretariat is an international civil service, and not merely a playground for the pressures of individual Governments or a repository for their less useful or usable officials. These decisions may prove to be of the utmost importance to the satisfactory long-term development of the organization. It may

be said here that the new Secretary-General's firm and subtle influence and his discreet but forceful diplomatic activity contributed much to the relative calm and reasonableness of the whole session. This in itself is a very encouraging development.

This was a quiet, but not a discouraging, session. Allowing that the achievement of serious international adjustments will be a very long and slow process, the increasing responsibility and efficiency of the Assembly and the emergence of new moderating influences are an ample compensation for the lack of startling decisions. Perhaps it is not too much to hope that the United Nations, having passed through the storms and tribulations of its formative years, is now settling down realistically and calmly to the very long and complex tasks which lie ahead.

E. B.

The Australian Scene

SOON after the end of the Royal tour, in May or June, Federal General Elections will be held in Australia. The coalition Government of the (conservative) Liberal Party under Mr Menzies and the (farmers') Country Party under Sir Arthur Fadden, which came into office in 1949, stands at best an even chance of retaining power. Had it been forced to go to the country during the economic recession of 1952 it would have been crushingly defeated. But an all-round improvement in the economic outlook in the past eighteen months has raised its stocks. With the aid which a patriotic occasion such as the Royal tour gives to the Government of the day, it may scramble back to office.

The political pendulum brought the Menzies-Fadden coalition to power after eight years of Labour rule and an election campaign in which, among other promises, the assurance that it would 'put value back into the pound', get rid of controls, and deal with the Communists stood out as the most important. Looking back over its four years of office, its objectives can be said to have been substantially achieved. Yet, ironically, while the Government claims more credit for these successes than is due to its deliberate efforts, they have done little to promote its standing with the electorate.

FIGHTING INFLATION

Taken literally, the promise to 'put value back into the pound', in other words, to reduce the cost of living to 1946 or 1938 levels, was of course an absurdity; it would have required politically impossible wage cuts and probably a business depression as well. But in the more reasonable sense of a promise to halt the inflation which had got under way in 1948 it was both sound and urgently needed.

Inflation in Australia had two sources, one external, the other internal. World-wide post-war inflation and shortage of foodstuffs had raised, and were continuing to raise, the prices of Australia's primary products well ahead of domestic wages, thus inflating the incomes of primary producers and the import and export components in the domestic cost of living. At the same time, Australia was engaged in a domestic development boom to which both private enterprises and Governments contributed by exceptionally high levels of capital expenditure. Control of inflation required measures to tackle both pressures. The gap between foreign prices and home costs had to be closed by an appreciation of the Australian pound, if it was not to be left to rising domestic wages to close it; and domestic excess demand had to be cut back by disinflationary budget and credit policies. Like all disinflationary policies, both types of measure required considerable political courage; the first, indeed, proved politically impossible for a Coalition which included a farmers' party.

For eighteen months the Menzies-Fadden Government did virtually nothing except bicker among themselves. Then, in September 1951, when the cost of living was rising at an annual rate of 20 per cent, Sir Arthur Fadden, as Treasurer, introduced the sort of Budget that was needed, aiming at a surplus of about £100 million by all-round increases in taxation. At the same time credit restrictions were tightened and the policy of cheap money, or low interest rates, which had been an article of faith for a decade, was abandoned. The Budget coincided with the peak of the wool boom, when wool was selling for as much as £1 a pound. Within nine months inflationary pressure ceased. But the Government did not deserve all the credit for ending inflation, and it got less than it deserved.

Inflation was stopped by the sudden development of an enormous balance of payments deficit, the combined effect of a steep fall in wool prices and a flood of imports ordered six months earlier at

the peak of the wool boom. In less than a year Australi through most of the £800 million sterling reserves accumu (largely through capital imports) during the post-war years, severe import restrictions, hastily imposed in March 1952, st the rot. At home, the cost of living continued to rise for s quarters under the impetus of automatic wage adjustment delayed increases in food prices and house rents. But exce mand disappeared and was, indeed, replaced during 1952 little unemployment, chiefly in the textile industry, building public construction.

All the public's resentment of the inflation, of the me taken to stop it, and of the temporary consequences of stopp descended upon the unfortunate Commonwealth Govern the Labour Opposition under Dr Evatt making hay while i shone. State and by-elections and Gallup polls in 1952 show Menzies-Fadden Government to have lost a large proportion 1949 supporters.

It has been suggested that the Government deliberately ga country its unpalatable dose of economic medicine early term of office, in the hope that popular concessions could saf made in time for the 1954 elections. If this was the strategy, it fair chance of coming off. The recession never assumed s proportions, thanks largely to the skilful cushioning policy Commonwealth (Central) Bank. Last year Australia enjoyed thing nearer the ideal state of full employment without inf than at any time since 1929. The elimination of excess deman shortages, helped by additions to productive capacity res from post-war investment, has given a substantial fillip to ductivity, especially in the basic industries. The balance of ments position has been sufficiently favourable (thanks mai exceptionally good seasons and continued good wool pric enable the Government to relax the temporary import restri of 1952 to the point where they affect the flow of imports. C of all these favourable developments, Sir Arthur Fadden was in his Budget of last September, to announce all-round c tax rates which could be presented as amounting to £118 m Whether these concessions were sufficient to appease the insa clamour for tax reduction from an already relatively lightly community is not certain; but they will have helped to win some of the Government's alienated business supporters wl the main beneficiaries.

LIBERALIZING THE ECONOMY

The Government's record with respect to its second major promise—to get rid of economic controls—presents a similar appearance of somewhat adventitious achievement. Sir Arthur Fadden's gamble on the abolition of petrol rationing in 1950[1] was successful. Capital issues control was abolished with a flourish in 1950, only to be re-imposed again in 1951 as a weapon against inflation.[2] In 1952 the Commonwealth Bank abandoned its selective control of advances by directives to the trading banks. These, however, represent the sum of active measures taken by the Liberal Government in this direction.

If Australian business is today substantially free from direct administrative controls (except for import licensing and a little ineffectual price control administered by the State Governments), this is at least as much due to the Federal Constitution, which deprives the Commonwealth Government of virtually all such powers in time of peace, as to political action by the present Government. Indeed, Mr Menzies took a major though largely academic step in the opposite direction in 1950 when he pushed through Parliament a Defence Preparations Act arming the Commonwealth with far-reaching economic powers for defence purposes. In curious contrast to other recent judicial decisions, the High Court upheld the constitutional validity of this Act when capital issues control regulations issued under it were challenged. But no other use has so far been made of these powers, and they have recently been allowed to lapse.

The doctrinaire Liberals among the Government's supporters, a coherent and vocal group of young and relatively able M.P.s, have had more success in pushing the Government into selling to private enterprise some of the remaining business concerns owned and operated by the Commonwealth. They failed in their efforts to emasculate the Government-owned Commonwealth Bank, though its trading bank functions have been separated from the Central Bank and the powers of control of the Commonwealth Bank have been weakened. Nor did they achieve the elimination of the highly successful and popular Government airline, the T.A.A., which has merely been placed in a less favourable position *vis-à-vis* the main private airline, A.N.A., owned by private shipping companies. But the Commonwealth holdings in Amalgamated Wireless (Austral-

[1] See 'Australia Today', in *The World Today*, March 1950.
[2] Capital issues control was recently abandoned.

ia) Ltd were sold, the Commonwealth's shale oil plants at Glen Davis disposed of, and efforts have been and are still being made to induce private interests to buy out the Commonwealth coastal shipping line.

The Liberal counter-attack against a long trend towards Government economic control and activity, and against eight years of Labour rule, has aroused less public controversy than might have been expected. Public opinion has, in the main, approved of the elimination of irksome direct controls and disapproved of the sales of public assets. But neither issue has been contested as it might have been had the Labour Opposition been more concerned with its formal socialist principles and less anxious not to antagonize any sectional interest among voters.

OUSTING COMMUNISM

On the third issue, the destruction of Communism within Australia, the Government's record is superficially one of almost complete failure. In practice, however, its object has largely been achieved through less objectionable methods than it had first in mind.

Politically, the Communist Party in Australia has never been anything more than an insignificant minority. At no time did the Communists succeed in getting a single member into the Federal Parliament. But by a mixture of energetic leadership and shady tactics they had obtained control of trade unions in three key industries which, in all countries, are industrial trouble spots: coalmining, stevedoring, and shipping. In the coal industry, in particular, they were able to exploit for their own ends the miners' traditional fear of overproduction, holding up industrial production all over the country by frequent strikes.

The Menzies Government came into office with the declared intention of outlawing the Communist Party. In 1950 it succeeded in pushing through Parliament a Bill to that effect, opposition by the Labour Party (which controlled the Senate) collapsing at the last moment under pressure of its own strongly Catholic right wing. The Bill, however, outraged liberal opinion on the Right and Left by some of its provisions and, to the relief of this liberal minority, was declared unconstitutional by the High Court. The Government then attempted to overcome the High Court's ruling by a constitutional referendum. The provisions of the Common-

alth Constitution for amendment of the Constitution are so ngent that, out of twenty-three attempts in the last fifty years, y two substantial amendments have been carried. On this asion, however, public opinion polls held six months before referendum suggested that it would be carried by an over-elming majority. In the event, it was overwhelmingly defeated er a courageous and able campaign against it led by Dr Evatt, aining the required majority neither in the overall electorate in a majority of States. The defeat of the referendum proposal not be taken to mean that majority opinion fully shared the eral scruples of a minority. As in all such campaigns in Australia, Opposition was able to exploit hostility to the Menzies Govern-nt as such, fear of Canberra in the outlying States, and numer-s other side issues. But when allowance is made for these factors, outcome was a heartening sign that traditional British attitudes e the average Australian a greater immunity to the contagion of Carthyist hysteria than frequent symptoms of a narrow intoler-e in Australian political life might have led one to expect.

The attempt to oust the Communists by legal methods failed npletely. But Communist control of the key unions has been oken in the last three years by other methods. The Government n take some of the credit. By making secret ballots in trade union ctions compulsory, it paved the way for the assertion of anti-mmunist majority opinion in union affairs. But the chief petus came from right-wing and mainly Catholic elements with-the Labour Movement which, stimulated no doubt by the enzies Government's political drive, threw themselves into a npaign to counter Communist influence in the trade unions, efly through right-wing cells, called Industrial Groups. The vement has been remarkably successful, not only in replacing mmunist by right-wing leaders in Unions, but also in sub-uting right-wing for non-Communist left-wing domination of controlling bodies of the Labour Party in the two key States, w South Wales and Victoria.

THE LABOUR OPPOSITION

So much for the three main chapters of the Menzies-Fadden vernment's record. About the Labour Opposition and potential ernative Government something has already been said by plication. Although formally tied to a Socialist platform, to

which every party member must subscribe and which, to it comfiture, is for ever hung round its neck by its political o ents, the Australian Labour Party has always been an undoc workers' and trade union party, to a far greater extent even th British counterpart.

In the immediate post-war years under the leadership c Chifley, one of the greatest personalities Australian politic has yet produced, Labour pursued a policy broadly similar t of the Attlee Government in Britain: extension of social ser wide controls of the economy aiming at economic stability such enlargement of public enterprise as the Constitution mitted (as the Bank Nationalization test case demonstrated means virtually none). In opposition since 1949, the party has led by Dr Evatt, a former High Court judge with a prestige v probably stands higher abroad than in Australia. In a traditionally hypersuspicious of middle-class intellectuals Evatt has had a difficult path to the leadership. Inevitably, h tended to lean over backwards to conform to conventional La attitudes. While he has succeeded unexpectedly well in estal ing his authority within the party, its policy under his leade has been opportunist to a degree remarkable even in Aust politics. But the Opposition's function in Australia has always conceived as being not merely to oppose, but to catch vot almost any price.

If Labour is returned to office next May, Dr Evatt's pol even in the economic sphere, will probably show at least as coherence as that of the present Government. It will be a p left-of-centre, but neither socialist nor even, barring unfor external developments, relying heavily on direct economic trols. The political temper within the Labour Party, an Australia as a whole, as in most of the Western world, has fo present veered well to the Right in economic policy matte Labour Commonwealth Government would remain right- Labour, unless and until international or economic pol developments induce a change of outlook.

Whatever Government is returned at the next elections, i inherit a number of tasks and problems which do not neces play a prominent role at the hustings but which matter a great to the future of Australia and the Australian people. It ma worth while devoting the second part of this article to a survey of some of them.

FOREIGN POLICY

It is difficult for Australians to take the acute and almost agonized interest in international affairs which the immediacy of danger makes natural to Europeans. Foreign affairs play an entirely subordinate part in Australian politics. There is no Bevanite wing even within the Labour Party. The few Communists apart, there is little disagreement over the general lines of the present Government's policy of close co-operation with Britain and other members of the Commonwealth, coupled with recognition that in the sphere of her own immediate concern, the Pacific area, Australia must look for aid in defence primarily to the United States. With this outlook, Australians find it difficult to appreciate British concern over exclusion of Britain from the A N.Z U.S. pact, a feature of the agreement which the United States apparently laid down as a *sine qua non.*

The Menzies Government has initiated a defence programme which, while absorbing a smaller proportion of the national income than is the case in Britain, presents a not insignificant burden on top of all the requirements for economic development. A Labour Government would almost certainly continue this programme, though it might modify details Conversely, the Menzies Government has been no less assiduous than its Labour predecessor in fostering good relations with Australia's Asian neighbours, although, in its anxiety not to antagonize the State Department, it may have missed some opportunities in this direction which a Labour Government might have been more ready to exploit.

WAGES, COSTS, AND TAXES

On the economic front, three short-term problems will occupy the attention of the next Government. They are the two connected problems of the wage structure and the high level of domestic costs, and the problem of State-Commonwealth financial relations.

Neither of the first two is strictly the Government's business. Minimum wages and working conditions in Australia are determined by the Commonwealth Arbitration Court and other Commonwealth and State industrial tribunals. But the Government can appear in cases before the Court, as an employer or independently, and can make policy decisions which have an indirect bearing on the level and structure of wages. The post-war inflation and a recent Arbitration Court decision, between them, have produced a muddle which will need to be sorted out soon if it

is not to lead to a good deal of industrial unrest. During the yea of inflation, the legal minimum wage, through a long establish system of automatic quarterly adjustments to the cost of livin kept step with rising prices, while legal minimum margins for sk above the basic wage were squeezed. Meanwhile, last year, tl Arbitration Court unexpectedly granted an application of en ployers for abolition of the automatic adjustment system, decision which several of the State tribunals have refused follow. At present, therefore, the basic-wage portion of son workers' wages is fixed in money terms, of others in real terms; the same time, there is strong union pressure, in various applic tions before the Courts, for higher margins. Both issues will nee to be resolved somehow before long.

Since significant cuts in money wages have become a politic impossibility, any adjustment in the wage structure is certain raise the level of domestic wage costs and thus aggravate a proble which has been the Australian business man's chief headach and talking-point for the past year or two. Since 1948 wage cos in Australia have risen 30 per cent more than in the United Kin dom. The danger to the competitive position of Australian manu facturing (import-competing) or primary (exporting) industries not as great as this fact, or the loud wails of some business spoke men, might suggest. Between 1938 and 1948 costs in Austral remained far more stable than elsewhere and gave Australia producers a competitive advantage which has even now barel disappeared. What has shocked Australian business is that, for th first time for over a decade, it has in recent months again felt th pressure of foreign competition. There have been applications t the independent Tariff Board for additional protection to take th place of temporary import restrictions as the latter are remove Some of these applications will probably be granted. Provide wages are not raised too much further and domestic excess de mand is not allowed to revive, rising productivity should catch u with money wages within the next year or so. But it is a probler which the next Government will need to watch carefully.

Federal-State financial relations present an endemic problem i any Federation. What is remarkable in the present Australia situation is merely the complexity of the impasse which has bee reached. Before the war income tax was levied by the six States a well as the Commonwealth, some taxpayers being served with a many as twenty-seven assessments for various income taxes. Th

exigencies of war finance compelled a rationalization of the system. The Commonwealth assumed a monopoly of income tax whose constitutional validity, in peace as well as war, was upheld by the High Court. In return, the Commonwealth agreed to reimburse the States for their loss of revenue by grants fixed on the basis of a formula. During the post-war inflation the formula system broke down. The Commonwealth agreed to supplement formula grants to meet the needs of the States, which remained responsible for most important spending functions (other than defence and social security) and found their costs rising ahead of their income.

The result was an intolerable state of affairs in which the Commonwealth bore all the political odium for high taxes, while the States (five out of six of which have Labour Governments) freely blamed the Commonwealth for their inability to provide the services demanded by their voters and spent freely what money they could lay their hands on. When the Menzies Government suddenly announced last year that it would accede to the States' demand for return of their income tax powers, the States exhibited a strange reluctance to accept the offer. A Premiers' Conference failed to agree on the proportion of the tax field to be vacated by the Commonwealth and on methods which would reconcile freedom of tax policy for the States with uniform assessment for the taxpayer, and there matters rest. But the insoluble problem of a smooth and efficient system of federal financial relations will present itself again to the next Government, and to every Australian Government until Australians at last tire of their federal system.

DEVELOPMENT AND IMMIGRATION

In the longer run, the economic tasks for Australian Governments are summed up in the word 'development'. Development does not primarily mean settling or opening up the vast dry interior which exercises a hypnotic fascination on the minds of those outside the country who happen upon a map of Australia. The recent discovery of large uranium-bearing areas all the way from Darwin to Adelaide may indeed lead to unexpected growth of industry and population in patches here and there. But development in Australia must, in the main, mean further advances in the already inhabited good rainfall areas of the east, south-east, south, and south-west, advances requiring heavy capital investment and directed towards expanding industrial as much as rural production.

Abroad, and particularly in Britain, people still think of

Australia as a primary-producing country and envisage h
mic future chiefly in terms of expanding primary produc
is a misconception, both as a description of the present
ably also as a prescription for the future. A larger part of A
national income is produced, and a far larger part of he
population employed, in her factories than on her farms
stations. True, Australian exports still consist to 98 pe
primary products and, in recent years, to more than 50 pe
value) of wool. But this dependence is, if anything, a
though one which is easy to bear while world prices o
products remain high. At intervals in recent years exp
warned Australia of what competition from synthetic
do to her wool income; other experts have pooh-poohed
dire predictions as grossly exaggerated. On this tech
vital problem the average Australian can merely sit ar
Micawber, hope that nothing will turn up. But it emph
soundness of Australia's long-established policy of distrib
eggs over a number of baskets. Provided protection is
criminatingly, increasing industrial development will
provide the necessary means of maintaining an expandin
population at a relatively high standard of living, but wi
raising incomes, continue to increase Australian deman
industrial products of other countries.

There is, however, one reason why Australian Gov
have been giving, and will need to give, priority to rural
in many respects. Food production has badly lagged beh
ing demand, and behind other forms of output in recent y
reason has not been neglect of agriculture in favour of
On the contrary, industry has gone ahead in spite of alm
imaginable preferential treatment accorded by Govern
farmers. The chief drags on food production have
phenomenal price of wool in the post-war years which ha
so much easier to make a lot of money by running sheep
ploughing the land; and the post-war investment boom
though beneficial and essential to agricultural developme
long run, has in the short run deprived farmers of neede
machinery, and materials. Everybody in Australia is ali
need to reverse the trend towards diminishing export
pluses of foodstuffs over and above an ever-rising home
Not everybody is agreed on the remedies; farm interests
economists prescribe higher farm prices, while others put

emphasis on capital investment in irrigation, soil improvement, and machinery, and in technical education. The immense Snowy Mountains hydroelectric and irrigation project by which, on a T.V.A. scale, the flow of the Snowy and other rivers of the South-Eastern Alps will be diverted from east to west, doubling Australia's electricity-generating capacity and irrigating 4 million acres, is a spectacular move in this direction. The myxomatosis and trace-element experiments of the Commonwealth Scientific and Industrial Organization are other striking examples.

A fact which has been assumed in these comments on development is Australia's rapidly expanding population. This has been and remains official policy, subscribed to by all parties. It was the threat of Japanese invasion during the war which jolted Australians into acceptance of the view that a much larger white population was necessary for Australia's defence. It was the prolonged war and post-war period of boom and full employment which, as in earlier periods of Australian history, attracted immigrants and overcame traditional trade union fears of a swamping of the labour market. Shipping difficulties delayed the inflow of migrants, but from 1947 onwards a vigorous official programme of assisted immigration from Europe and a steady flow of voluntary British immigrants brought 700,000 people into the country within five years, helping, together with natural increase, to raise Australia's population from just over 7 to 8·8 million since 1945.

About half the immigrants were British, the other half from a dozen or more European countries. Displaced persons from Poland, the Baltic States, and South-East Europe predominated in the earlier years, Dutch, Germans, and Italians more recently. For a country 98 per cent of whose population was of British descent in 1945, the influx of so large a number of foreign-speaking and foreign-mannered people was a new experience, not without its problems. Apart from economic difficulties in providing housing and other services for so many newcomers, difficulties of which a dissatisfied minority of migrants took over-ample reports back to their countries of origin, there were cultural problems of assimilation which are being tackled with a good deal of imagination by the Commonwealth Government, aided by many voluntary organizations, but which will not be fully solved in a few years. But there are not a few Australians who welcome the infusion of different ideas and skills into Australian society quite as much as the opportunity of introducing the newcomers to the Australian way of life.

In response to the appearance of some unemployment, the Government last year halved its immigration target. But there is general agreement that this does not, and should not, mean abandonment of the policy of bringing the largest number of white people into Australia which the country can economically absorb without undue discomfort to residents or newcomers.

From all the foregoing, the reader might infer that Australians get all their fun and spice of life from politics and economics. This would be a wrong impression. The average Australian is deeply interested in sport: Test Matches and the Melbourne Cup obtain a good deal more than a flicker of public attention.

What is perhaps less well known outside the country is the vigour and quality of Australia's cultural life. The minority to whom such interests are important is probably somewhat smaller than in Britain, and there is inevitably something strained in the efforts of a small country to emancipate its literature and art from a purely derivative state. But the common British conception of Australia as a cultural desert is, at any rate, an exaggeration Australia has no London, but it can hold its own pretty well with provincial England. Sydney University is older than any English provincial university and its standards, like those of Melbourne, might be compared with those of, say, Manchester.

Australia is still poorly equipped with theatres, though Melbourne and Sydney at least have a number of enterprising repertory companies. There is as yet no permanent opera. But musical life has developed enormously in the last few years, aided and stimulated by the inspired policy of the (Commonwealth) Australian Broadcasting Corporation Each of the capitals has its own symphony orchestra, the Sydney orchestra with Eugene Goossens as resident conductor having achieved very nearly first-rate standard. Much effort is devoted to finding and training talented young musicians, though there is still an unfortunate tendency for the best of them not to return to Australia from their studies in London or the U.S.A. In composition, as in painting, prose, and poetry, creative effort still struggles with the problem of finding new styles and new things to say. But the atmosphere of a country in Australia's stage of cultural development has an exhilarating quality of its own.

H. W. A.

PRINTED IN GREAT BRITAIN AT THE BROADWATER PRESS, WELWYN GARDEN CITY, HERTFORDSHIRE

THE WORLD TODAY

Volume 10 *No.* 3 *March* 1954

*

Notes of the Month

The Survival of Treaty Obligations on the Emergence of New States

THERE is no dearth of examples in modern history of the emergence of new States. A new State may arise in one of several ways: as a result of the dismemberment of an existing State, as happened after the first World War in the case of Poland and Czechoslovakia; of secession, as happened in the case of America; of separation, as happened in the case of India and Pakistan; or of the relinquishment of a mandate by the mandatory Power, as happened in the case of Israel. In addition, there are cases in which an existing State may be enlarged by the incorporation of territory formerly belonging to another State. Such incorporation, however, does not result in the establishment of a new State entity.

International courts and tribunals have had little, if any, opportunity to consider the precise legal implications of what is loosely referred to as State succession, and we are almost entirely dependent on State practice in answering the difficult question as to whether treaties concluded by a country previously exercising sovereignty continue to be binding on the new State entity. There is wide, though not universal, agreement that a new State emerging as a result of one of the incidents referred to above is not bound by the treaties concluded by its predecessor, or, as Sir Arnold McNair expresses it, 'starts with a clean slate in the matter of treaty obligations'. This rule is subject to two exceptions: that the new State may voluntarily accept—and often does accept—certain existing treaty obligations, and that State servitudes referable to specific areas situate in the new State continue to be binding on the new entity. Examples of such servitudes are rights of navigation accorded to other countries on rivers flowing through the new

State, or the duty to maintain lighthouses and other aids to navigation.

There is one form of factual State succession resulting in the birth of a new State which is so rare in practice that it has hardly attracted the attention of Foreign Offices or writers. This, for want of a better term, may be described as the fusion of two existing entities which, on being merged, constitute a new State. The incorporation of Prussia in the newly constituted German Empire has sometimes been described as a case of fusion, but in fact it was no more than the enlargement of a predominating Prussia by the addition of a number of other States, and the contention of the United States Government that the new German Empire was bound by the treaties previously concluded by Prussia was accepted by the new German Government.

Today the position of Germany is vastly different. There are in existence two independent entities, the Federal Republic of Germany and the German Democratic Republic. The fact that only the former is recognized by the Western Powers does not affect the existence, in fact and in law, of the latter. The question has now arisen whether in the somewhat unlikely event of the re-unification of Germany the new German State would be bound by the treaty obligations of the German Federal Republic, and more particularly by the undertaking of the latter to join the European Defence Community. M. Bidault's contention that a re-unified Germany would not be so bound has caused some astonishment, and lawyers and politicians are divided in their views. The answer to the question depends on whether re-unification would in law be the result of genuine fusion or of the incorporation of Eastern Germany in the German Federal Republic. If it could be regarded as a case of fusion, the new State would not be bound. If, on the other hand, it were to be regarded as a case of merging Eastern Germany in Western Germany, the treaty obligation would devolve on the new German State. The fact that the present situation is unique in modern history should not deter us from drawing the conclusion which alone is justified in the light of reality. It cannot be said that Eastern Germany is either geographically, politically, or economically the lesser of the two entities; therefore re-unification, if it were to take place, would constitute a genuine case of fusion, the newly emerging State entity being entitled to 'start with a clean slate'. It is thought that the attempt to solve the problem by recourse to the wording of article

7(3) of the 'Convention on Relations between the Three Powers and the Federal Republic of Germany', of 26 May 1952, is completely erroneous. This provision was rightly based on the premise that treaty obligations could not validly be imposed on an entity not in existence when the Convention was concluded. The view that a re-unified German State would not be bound by the undertaking of the Federal Republic to enter the European Defence Community follows not from the wording of the Convention, but from a correct interpretation of international law as expressed in general State practice.

The Campaign in Laos

THE political struggle in Indo-China has for some time been more important than the military. The decisive military struggle took place in 1950 and 1951 and it then became clear that neither side could achieve a quick, purely military, solution of the conflict. The French discovered that they could not, without much greater metropolitan forces than they could spare, destroy Communist resistance, supported as it was by the Chinese—and many non-Communist Nationalists; while the Communists found that, even with Chinese aid, they could not loosen the French grip on the two vital centres of Vietnamese population and production, the Red River delta and Cochin-China. The prominent Communist campaigns since then, as opposed to the continuing and bitter but less spectacular struggle in the delta, consisting as they mostly have of marchings and counter-marchings in the largely empty spaces of the Thai country and Laos, appear to have had political rather than military objectives. The French forces were to be confused and dispirited, the Communists' own supporters cheered, other Vietnamese frightened into *attentisme*, and, above all, the movement for 'peace at any price' in France was to be encouraged.

They have not been without success in this last respect. The approach of the Communist forces to the gates of Luang Prabang last spring produced, as it has this year, a wave of pessimism in France, and for a moment it looked as if the search for a new French Government then in progress might even produce one committed to precipitate withdrawal from Indo-China. What did result was a clearer realization in France that the existing policy of limited independence within the French Union for the three Associated States had no hope whatever of success, and a distinct change of policy followed. On 3 July the new Laniel Government

in a Note to the High Commissioners for Vietnam, Laos, and Cambodia in Paris made 'a solemn declaration' of its intention to complete the independence of the three States—hitherto French ministers and officials had spoken as if these States already had all the independence they could expect. The Note went on to say that the growth of the armies and administrations of the Associated States justified the transference of those powers which France had hitherto retained. The Ministry for the Associated States was abolished and a Foreign Office official, M. Dejean, made Commissioner-General in the Associated States.

Since then negotiations have proceeded subject by subject for the transfer of French powers to Laos and Cambodia and a number of protocols have been signed, while a treaty between France and Laos was signed on 22 October 1953. Formal negotiations with Vietnam are expected to start in the next few weeks. In these negotiations the French seem even to have gone so far as to strain the limits of their Constitution. The treaty with Laos spoke of the French Union as 'an association of independent and sovereign peoples free and equal in rights and duties', and in January M. Dejean stated in a speech that 'the conception of the French Union outlined in the preamble to the Constitution is essentially liberal and egalitarian. It is for this conception that France has declared herself in the definition of her relations with the associated States'. Neither of these pronouncements squares with other sections of the Constitution which give France controlling rights in the Union.

The Communist sweeps into Laos have also had the effect of stimulating the French to press for international discussions on a settlement in the Far East, a result that would appear to be in accord with general Communist policy at the present time. The Vietnamese Communists have put forward suggestions for some months that a negotiated settlement might be possible, and in November Ho Chi Minh, in answer to a series of questions by the Swedish paper *Expressen*, said that 'the people and Government of the Democratic Republic of Vietnam' were ready to examine any proposals for an armistice which the French might put forward, the condition precedent being that France should respect the independence of Vietnam. Ho, of course, studiously ignores the Governments of the Associated States as recognized by France in this connection, and would undoubtedly welcome an agreement which might deliver into the hands of his party without a struggle

what they have failed to gain by military action. As *L'Humanité* of 2 January 1954 makes Kuo Mo-jo say of Ho's proposal, 'Nous pensons que cette action pour la paix constitue l'arme de la victoire.'

The Disgrace of Djilas and its Implications

THE disgrace of Milovan Djilas, Marshal Tito's trusted collaborator for seventeen years, and one of the leading ideologists of the regime, is a sign that the anti-Stalinist doctrines of Yugoslav Communism can lead to dangerous heresy if pressed to their logical conclusion. Djilas appears to have been in disagreement with the other Yugoslav leaders as early as last summer, at the time of the Central Committee meeting at Brioni, but the events which led immediately to his disgrace started last October, when he agreed to contribute a series of weekly articles to the Communist daily newspaper *Borba*. Since Djilas was then still considered to be one of the leading ideologists of the regime there was nothing unusual in this, and the earlier articles, like so much official theorizing in Yugoslavia, seem to have been read cursorily, or not at all. Marshal Tito, however, when asked by Djilas in the autumn what he thought of the articles, replied that there were some things he did not like, but told him to carry on. The earlier articles were, in fact, only mildly controversial, but during November and early December they began to warm up, and on 20 December it was announced that they would in future appear three times weekly. From the article of 24 December it was clear that Djilas was meeting with criticism from some of his colleagues, and in fact, as we now know, Kardelj, the ideologist-in-chief of the regime, had remonstrated with him two days earlier, though to no effect.

The leadership was now in an awkward dilemma. To stop the series would reveal that there was a rift in the Executive Committee, since *Borba* had announced that it was due to last another six or seven weeks: for the same reason Kardelj decided not to engage Djilas in print, as he had first intended. On the other hand, the articles were widely regarded as an expression of the official line, a fact which explained in part the favourable reception that they were receiving in the Communist ranks. Had Djilas confined himself to general theorizing the dilemma would not have been so serious. But in the article of 27 December he proposed a radical reorganization of the League of Yugoslav Communists which, in the view of the orthodox, would amount to its virtual liquidation. Worse still, some Yugoslav papers began to carry out a poll of

opinion among the lower ranks of the League and reported that the proposal had been well received. However, the leadership was at a loss what action to take and with some misgiving allowed the election of Djilas as President of the People's Assembly to go forward as planned. By this time the editor of *Borba* had sensed that something was wrong, but despite urgent telephoning to 'responsible comrades' he was unable to get any guidance. This vacillation was probably due mainly to the fact that Tito was away from Belgrade taking a health cure in Slovenia. It was not until he had read the article of 27 December and seen from the December review of foreign press comment on Yugoslavia how Djilas' theorizing was being received abroad that his eyes were opened to the extent of his deviation. But although his disapproval was made known to Djilas, five more articles were to appear after the notorious 'Subjective Forces' of 27 December—the last on 7 January.

What action the leadership would have taken if Djilas had confined himself to ideological and organizational questions we shall never know. For what led to the final *dénouement* was not an article in the *Borba* series but a devastating satire on life and manners in the innermost circle of the political leadership, centring round the unhappy experiences of the young actress wife of Djilas' friend and fellow-Montenegrin General Dapčević, which appeared over Djilas' signature in the January number of the literary review *Nova Misao*. Further attempts to conceal the rift were now useless: on 10 January the Executive Committee announced in *Borba* that Djilas' articles did not represent the views of the Committee and that the editor had been ordered to stop further publication. In the same number, the paper carried the first criticism of Djilas' views to appear in the press: for three months, in nineteen articles, he had held the field without challenge from any quarter.

A week later the Central Committee of the League met to consider the case. After a recantation so hedged about with qualifications that it was hardly a recantation at all, Djilas was severely reprimanded and deprived of his membership of the Executive and Central Committees. Earlier he had given up the Presidency of the Assembly; he now resigned his seat as well out of deference to 'popular indignation' in his constituency and retired into obscurity. His friend Dedijer, the biographer of Tito, who showed an almost public-school loyalty to Djilas at the meeting of the Committee, has also fallen from favour.

Since the two-day discussion in the Central Committee was reported verbatim in the Yugoslav press the Djilas case is remarkably well documented. It is clear that, underlying the ideological differences between Djilas and the majority of his colleagues, there was a very human clash of personalities. Seen through their critical eyes he appears as the eternal student-intellectual, ever rebellious and intolerant of discipline: he is the would-be philosopher who said he would not let 'them' turn him into a civil servant and 'wrote and wrote and wrote' and haunted the literary cafés while the comrades he scorned as 'bureaucrats' wore out their health at their office desks: he is the vain intellectual who stole the limelight from his colleagues at the Congress of Asian Socialist Parties in Rangoon. Behind these tart and resentful comments on 'Comrade Djido's' personal failings there may be an element of truth. But no one reading his articles could attribute his heresy solely to the temperamental antagonism of an intellectual towards tight-lipped authority. Rather the impression they give is that of a man who set out to tackle certain contradictions in the official doctrine which had never before been publicly discussed, and who was courageous enough to press on with his arguments even when he saw that they were leading him into heresy.

Directly or indirectly, the theme of the articles was the role of the Communist League in the life of the country, and on this question Titoist ideology is shot through with the most awkward contradictions. According to the official doctrine pronounced by the sixth Congress of the Party held in November 1952, the Communists are the 'organized and most conscious section of the working class' and its 'organized political force'. Where Yugoslav theory departs from Stalinist practice is in the conviction, which is central to the whole doctrine of Titoism, that the 'directive' role of the Party (the phrase 'leading role' has been dropped as tainted with Stalinism) must not be allowed to degenerate into the dictatorship of a party-State manned by a bureaucratic caste whose interests are bound up with the maintenance of State power in all its forms, and thus diametrically opposed to the interests of the masses and the creation of the stateless society. All the efforts of the Yugoslav leadership during the past three years or so have been directed towards the creation of a system that obviates this danger, first, by substituting objective economic laws for the 'subjectivity' of the economic bureaucrat: second, by enforcing the rule of law against the [illegible]

irdly, by devising a set of institutions that will ensure the maxi-
ıum participation of the masses in the taking of decisions. The
sk of the Communists is not to rule, but to infuse life into the
ew system. They must throw the weight of their authority into
ıe popular assemblies and prevent their degeneration into ap-
endages of the executive, or, in industry, of the managerial class;
ıey must encourage the participation of the masses in all the
odies open to them: they must 'raise the consciousness of the
asses to their own level' (an appalling piece of condescension
onsidering the level of intelligence of the average Party member).
t the same time, they must hold the whole system together and
eep it moving in the direction laid down in official policy. But
is they must do by persuasion and not by compulsion. The Com-
unist must be first and last an educator, an activator, and a
ıssionary, and it was to mark this change in the role of the Com-
unists that at the sixth Congress the Party was rechristened the
ommunist League.

The significance of Djilas' articles is that he comes to grips with
ıe contradictions in the new line with a boldness that no Yugoslav
ommunist has yet attempted. The first weakness is a practical
ne—the inadequacy of the human material that the leadership
as at its disposal. The average Party functionary knew where he
as in the old days. He had to deal with the class enemy, to
rganize the peasantry into collective farms, to recruit manpower
r industr ,o mobilize voluntary labour brigades, and so on.
nd h ad the power and privilege by virtue of his membership
f the Party, irrespective of whether he was legally entitled to it or
ot. But today the old 'administrative' methods are taboo. And
ow that the economic system is organized on more rational lines
any of them are, in any case, less essential. So the faithful Dob-
in of the League either sits entrenched in some executive position
nd carries on according to the old methods, or he lapses into
assivity. The circular letter put out after the second Plenum of
ıe League last summer was more concerned with the second type
f deviation from the official line than with the first. Many Com-
unists, it said, had interpreted the new line to mean that they
o longer had any responsibility for furthering the cause of
ocialism. These reproaches were backed up by the Communist
ress. Far from proselytizing among the masses, the rank and file
ı the basic organizations wasted their time in an endless succession
f committee meetings that led to nothing: some even believed

that the new line meant 'Now we have democracy and the masses can do what they like and elect whom they please.'

Djilas' suggested way out of this impasse was a radical one, but considering that the leadership is seeking some solution to this problem it was not so radical, regarded in isolation from his other arguments, as to merit the name of heresy. His proposal was that the Communists should be in practice what the sixth Congress had pronounced them to be—a league and not a party. The trouble was, he argued, that there was a contradiction between the tasks of the League in the new epoch and its organizational form. The main task of the Communists was now to proselytize, but they were still organized as a ruling group in an elaborate hierarchy of committees that shut them off from the living world outside. In the second place, the Party had grown enormously since the war and become predominantly a party of white-collar workers and peasants. This being so, it was inevitable that its general ideological level should be low. So let the League be a real league—a loose association of ideologically kindred spirits which would have its own aim and line but would not be ossified into an organization that divorced it from the masses. The Communists would permeate society, but they would do so as individuals qualified to lead and guide by individual merit and not by membership of an historically predestined elect. A League organized on such lines would obviously have no attraction for the opportunist or the hack; the weaker brethren would fall away, and the valuable Communists and sympathisers who were absorbed in their professional work and saw no point in Communist activity that consisted in an endless series of committee meetings would be drawn back into the fold.

As Djilas pointed out, the proposal was not wholly in conflict with the letter of the resolution of the sixth Congress. Where it departed furthest from it was in the matter of organization. Even if the League, his critics argued, no longer required the organization necessary for a ruling party, it still needed a structure that would secure unity of purpose and discipline. Djilas' suggestion looked to them like the flaunting of anarchist individualism. Was the League to become a club of intellectuals—an appendage to the literary cafés? That was how the orthodox were inclined to treat his proposal.

However, apart from the practical question of how to rid the League of the weaknesses discussed at the second Plenum, Djilas

also tackled what is perhaps the fundamental contradiction in the Titoist doctrine. The rank and file of the Party are told that they are proselytizers and not rulers and must get their way by influence and not by power. But the fact remains that the League as a whole does have power: its leaders are at the same time the rulers of Yugoslavia in the sense that they formulate policy and take all the crucial decisions. At every key point in the political system League and State are united. Now the emergence of a monopolistic and bureaucratic party-State is, in Yugoslav doctrine, the greatest danger that can threaten socialism. But while the *economic* monopoly of the party-State over the means of production, i.e. 'State capitalism', has been to a very large extent weakened, the political monopoly of the Party remains intact in all its essentials. This is still more true in the field of ideas: there is still a Party line and a ruling doctrine. But whereas the other ideologists of the regime tend to shirk this contradiction, Djilas made no bones about it. He pushed the official line on the role of the League to its logical conclusion, which explains why Kardelj was able to argue at the Central Committee meeting, first, that Djilas had not produced anything new, and second, that what he said was heresy. The issue in Yugoslavia today, Djilas argued, was between the 'Communist-democrats' and the 'bureaucrats'. But according to official theorists bureaucracy in Yugoslavia has been eliminated as a serious danger by the reorganization of the political and economic system, and the bureaucrat is simply the man who cannot rid himself of the old conceptions and adapt himself to the new order of things. For Djilas, on the contrary, 'bureaucracy' meant the monopoly of a single party in any of its possible forms, and the 'bureaucrat' any one who tried to uphold it. And in his later articles he seemed to be implying that most of his colleagues were 'bureaucrats' in this sense. In this connection, Kardelj's account of the conversation he had with Djilas on 22 December is of great interest. According to him, Djilas accused Tito of 'defending bureaucracy' and added that Kardelj and Ranković were really on his, Djilas', side, but dared not say so for fear of falling out with Tito.

Underlying Djilas' arguments is, one feels, a liberal dislike of the idea of an 'elect' claiming the right to rule and guide by virtue of historical sanction and not by individual merit. And in arguing against it he comes very near to rejecting a fundamental tenet of Marxism. Why, he asks, should the 'subjective' ideas of the Communists correspond to 'objective' reality? And why should their

interests necessarily be identical with those of society as a whole? Now the orthodox reply would be that the Communists are 'the most conscious part' of the working class and that the interests of the working class, as the class of the future, are necessarily identical with those of society as a whole. But Djilas will have none of this. No class or political movement, he argued, can claim the right to represent exclusively the interests of society as a whole or proclaim their ideas as objective truth. What the elect proclaim as truth may be true at the moment it is proclaimed. But the truth becomes ossified in dogma and in the meantime reality has flowed on, generating new ideas and new forces which come into conflict with the ruling group. And if the ruling group resists, as inevitably it will, then there is a danger that it will degenerate into the 'priest and gendarme' of socialism. This argument is the justification for Djilas' plea for greater freedom of thought and expression on fundamental matters within the ranks of Yugoslav socialism.

In other articles he answers the rejoinders which the orthodox would be likely to make to his argument. First, is the regime strong enough to permit open disunity on socialist fundamentals? The obvious weakness of Djilas' case when arguing this question was his tendency to underrate the strength of the 'class enemy' and correspondingly to overrate the degree of 'socialist consciousness' attained by the masses. Secondly, if the League is not united in disciplined service to the aim of the stateless society, is there not a danger that, as in the Soviet Union, expediency will prove stronger than ideology? But for Djilas the idea of a final goal is dangerous for the very reason that it implies the existence of an authority to define it and decide what measures may best lead towards it. Djilas gets round the problem by denying the existence or need for a final goal and thus laid himself open to the accusation of 'Bernsteinism' and 'revisionism'.

When the publication of the articles was stopped on 7 January there were still some fifteen more to come, so we can only speculate as to where Djilas' arguments would eventually have led him. But in arguing that no single movement can claim the right to decide fundamental policy by virtue of historical predestination, and that only practice can be the arbiter between conflicting ideas, he seemed to be moving towards the idea of some form of multi-party democracy within the limits of the socialist movement. According to his critics in the Central Committee, Djilas had on several occasions expressed the belief that the time was ripe for the

emergence of a socialist opposition. In his reply, he denied that he had in mind a multi-party system in the usual sense of the term, and said that he was thinking rather of what he called a 'group system'—a phrase he attributed to Tito.

It is reasonably certain that Djilas, in making his challenge to the Communist leadership, was speaking for himself and not voicing the opinions of an organized faction. But there are certainly many intellectuals in the League who hold similar opinions and it is very likely that he succeeded in crystallizing the half-formed doubts and ideas of others. To the liberal-minded supporter of the regime the appeal of the articles is the humanism that underlies them. But to the orthodox Party functionary Djilas' optimism as to the autonomous development of socialism, and his neglect of the problem of power, seemed unrealistic and even naïve.

It is natural to ask whether the disgrace of Djilas heralds a rightward swing in the official policy towards a narrower, more Stalinist form of Communism. There would seem to be no good reason for assuming this. It has been clear for a long time that there are strict limits to the liberalism of the new Communist policy in Yugoslavia. During the past few years measures of liberalization have followed each other in quick succession. The new system is now complete in all its essentials and the ferment of new ideas that followed the break with Stalinism has hardened into a new orthodoxy. The disgrace of Djilas is a reminder both of the existence of this orthodoxy, and of the contradictions that weaken it.

D. L. C.

German Opinion and the Berlin Conference

An Interim Summary

The Federal Chancellor, Dr Adenauer, made no attempt to conceal the anxiety with which he and his Government, and, indeed, the majority of West Germans, awaited the outcome of the Four-Power Conference in Berlin. On 13 January he told the C.D.U.

Parliamentary Committee that if the Conference came to nothing he had little expectation that the United States-Soviet conversations on atomic energy would necessarily lead to an improvement in the international situation. The German people, he said, found themselves in the most grave situation which had faced them since 1945. The Soviet Government might succeed in delaying still longer the attainment of European integration; so long as the Powers sat together round a conference table there would be no move by France in that direction, and if the present cleavage continued the United States might well withdraw from Europe. Dr Adenauer quoted M. Bidault as saying he would go to Berlin 'with endless patience', and commented that even patience must have an end, otherwise Germany would become the plaything (*Spielball*) of foreign interests. A few days later the C.D.U. Party Executive issued a statement declaring that the peace and security of the world could not be better served than by the re-unification of Germany in peace and freedom, but supporting the efforts of the Government to give Germany the means of defence since the security of France and Europe could be increased only by a German defence contribution, and repeating the Chancellor's warnings against the neutralization of Germany and against any development which might lead to a United States withdrawal from Europe.

Herr Ollenhauer, Leader of the S.P.D. Opposition, told the party's Parliamentary Committee on 13 January that his approach to the Conference was one of 'cautious optimism'. In a broadcast on 24 January he said that if the choice should be offered between the Adenauer Government's policy of integration and the re-establishment of German unity in freedom, then the S.P.D. was convinced that re-unification must have priority.

The East German Premier, Herr Grotewohl, on the other hand, in an article published on 6 January, described the issue at stake at the Conference as the peaceful solution of the German problem, not the holding of free elections in Germany but security and peace for the world and for Germany. In the East German press and on the air 'democratic' free elections and 'democratic' unity were demanded. At a press conference on 11 January the Deputy Prime Minister, Herr Nuschke, asserted that United States Intelligence Services and West German organizations working for them were planning a 'new provocation' on the lines of the 17 June conspiracy. Officials of the Socialist Unity Party and of the Free

German Youth were given three main tasks in the weeks before the Conference by Herr Ulbricht: to answer clearly all questions from members of the public in the great debate on the easing of international tension; to increase and strengthen the ties between the party and the people; and to make more determined application of the lessons of 17 June by removing waverers and enemies. Stronger measures must be taken against opponents of the regime and against Social Democrat misconceptions.

On 16 January the release was announced of 6,000 German citizens sentenced in 1945 by Soviet courts for war crimes and crimes against the occupation Powers. Finally President Pieck in a broadcast spoke of the common demand of all Germans that the German people should be heard at the Conference through the voice of legitimate representatives of the German Democratic Republic and the Federal Republic, and that the Potsdam Agreement should be implemented, since it afforded to a unified Germany the security of a lasting peace, while assuring the development of mutual trust and good relations between the German people and all its neighbours.

Nevertheless, after the Conference had met and when it came to discuss Germany, the Soviet Zone seemed, in the words of a West German leader writer, to be 'holding its breath'.[1] Thousands of letters to Mr Dulles and Mr Eden,[2] posted in West Berlin by East Germans, supported the Western proposals, above all for the holding of free elections. In the Eastern Zone, according to Western reports, the words 'We demand free elections' appeared on walls, on the windows of trains, and elsewhere, were rubbed out by the police, and reappeared. On a wall in Potsdam was painted 'Molotov, there will be another 17 June unless we get free elections'.[3] Yet even after Mr Molotov's rejection of the Eden plan and after his own proposals had been made, when the hope of free elections might almost seem to have vanished and a wave of arrests of the 'politically unreliable' was already in progress in the Eastern Zone, the number of refugees coming from there to seek asylum in the West was smaller than at any time during the previous year.

The official response of the East German Government to the Eden plan and to Mr Molotov's first proposal of 1 February (re-

[1] *Süddeutsche Zeitung*, 10 February 1954.
[2] *Manchester Guardian*, 12 February; *The Times*, 16 February 1954.
[3] *Süddeutsche Zeitung*, 8 February; *Frankfurter Allgemeine Zeitung*, 10 February 1954.

ported verbatim on the front page of *Neues Deutschland*, whereas the Western Ministers' speeches were relegated to summaries—of varying degrees of accuracy—elsewhere in the paper)[1] was made by Premier Grotewohl to the Volkskammer on 3 February. He said that since there were no constructive proposals from the Western Ministers in answer to Mr Molotov, the necessary conclusion was that the struggle for German unity and a peace treaty must be continued by working for an understanding among Germans. He proposed a 'democratic plebiscite' to be held without delay in the whole of Germany with complete equality and freedom (this was in response to Mr Molotov's suggestion that there should be a referendum throughout Germany to decide whether the Germans preferred a peace treaty or the Bonn Convention and the European Defence Treaty). Herr Grotewohl insisted that the Bonn and Paris Treaties made it impossible to re-unite Germany as a peace-loving and democratic State and therefore that their elimination was the most important task in the struggle for the restitution of that unity on a democratic basis.

Following Herr Grotewohl's speech, the Volkskammer adopted a resolution approving Herr Grotewohl's statement on behalf of the East German Government and declared that the German people's main concern was the creation of a Peace Treaty with Germany which presupposed the rejection of the 'war treaties' of Bonn and Paris. Those who, the statement said, were, like Mr Eden, in favour of free elections advocated an electoral law dictated by the occupation Powers and the supervision of the elections by them, an insult to the German people. Such men as Papen, Schleicher, and, later, Hitler were freely elected in their day, but the German people did not want new elections to lead to a second Hitler and another world war.[2]

Mr Molotov's counter-proposals to the Eden plan, made on 4 February, for a provisional all-German Government to hold elections on conditions agreed in advance by the two present German Governments (and without interference from the foreign Powers), to ensure freedom to all democratic parties and organizations, and to prevent the existence of Fascist, militarist, and other organizations hostile to democracy, were elaborated by the East German press, and all party officials received instructions to explain them daily to the people. *Neues Deutschland* and *Tägliche*

[1] *Neues Deutschland*, 2 February 1954.
[2] *Neues Deutschland*, 4 February 1954.

Rundschau declared that the tasks of the all-German Government envisaged by Mr Molotov were as follows: to annul the Bonn and Paris Agreements; to watch over the elections in order to stop interference by Western controllers; and to abolish the West German co-determination law and deprive armaments monopolies, bank trusts, and military organizations of their power.

In the eyes of the West German Government, Mr Molotov's plan for a peace treaty creating an integral German State which should be permitted no military alliances or coalitions and should not be bound by any obligations concluded by the Federal Republic or the German Democratic Republic was, of course, entirely unacceptable as a basis for discussion. There was, in general, recognition of the efforts of the Western Foreign Ministers to meet Mr Molotov's objections to the Eden plan, and M. Bidault received especially warm praise for insisting that the Bonn and Paris Treaties would not, and indeed could not, under international law, bind a re-united Germany. The Eden plan as thus modified was regarded as the greatest concession which Germany, and with it the West, could make without danger, but the Minister for All-German questions, Herr Kaiser, emphasized in a broadcast[1] that negotiations concerning German reunification must not be allowed to lapse. Germans in the East and West expected, not a perpetuation of division, but at least the recognizable beginning of reunification. The Conference, he said, had shown that there were security problems on all sides. The dividing line could only be abolished by free elections, an All-German National Assembly, and then the formation of an All-German Government.

The S.P.D. Opposition, on the other hand, deplored the fact that part of the West German press had reported Mr Molotov's proposals of 1 February in an incorrect and tendentious manner: he could not have been expected simply to adopt Mr Eden's plan, and his own proposals should have been regarded merely as the taking up of an official position.[2] Throughout the period of the Conference the S.P.D. emphasized the danger of acquiescing in the perpetuation of partition and urged on the Foreign Ministers the necessity of discussing together, as part of a whole instead of piece-meal, the questions of security, the reunification of Germany, and free elections. But Herr Ollenhauer himself seems to have been unequivocal in declaring that the first Molotov proposals

[1] *Süddeutsche Zeitung*, 8 February 1954.
[2] *Neue Zürcher Zeitung*, 4 February 1954.

were incompatible with parliamentary democracy. In a television interview he put the acceptance of free elections first; on the other hand the Conference would have to examine the question of whether or not the U.S.S.R. would agree to the holding of free elections if Germany's integration into the European Defence Community were renounced. He said that the United Nations should discuss Germany's future contribution to international security; a united Germany as a member of the United Nations could not be a threat to the security of any of the four Powers represented at the Conference.

Anxiety as to the consequences to the East Zone of a failure of the Conference which might leave no basis for further discussion on the East Zone were not confined to the S.P.D. A mass exodus from the Zone on the scale of the years 1946–7 would probably follow such a failure, and the Federal Republic would have to cope with it.[1]

Herr von Brentano, leader of the Parliamentary Committee of the C.D.U., in a press interview on 9 February regretted that German public opinion was not sufficiently united to support unanimously the position taken up by the Bundestag; there had been no single word from Mr Molotov, he said, to indicate that he would agree to really free elections in return for a renunciation of E.D.C., and it was not the legitimate task of German politicians to make such proposals.[2] Mr Molotov's proposal of 10 February for a fifty-year European security system, coupled with his refusal to state his position on free elections, was taken by the German delegation in Berlin to imply that he was not prepared basically to face the German question at all.[3] On the other hand at least one leader writer in a West German pro-Government paper saw in the Molotov security plan the Soviet variant of Mr Churchill's Eastern Locarno suggestion of May 1953, and claimed that, whereas real negotiation consisted in looking at concrete points in an opponent's proposal for possibilities of agreement, nothing of this kind had happened in Berlin.[4] It remains to be seen whether the Western Ministers' attempts to force Mr Molotov to state his position on the relation between his proposed security system and the North Atlantic Treaty Organization will be successful, but the

[1] *Süddeutsche Zeitung*, 10 February 1954.
[2] *Frankfurter Allgemeine Zeitung*, 10 February 1954.
[3] '*Er redet im Prinzip an der deutschen Frage vorbei*' (*Frankfurter Allgemeine Zeitung*, 11 February 1954).
[4] *Frankfurter Allgemeine Zeitung*, 12 February 1954.

leader writer just quoted suggested that 'in order to prove that the Russians' price for re-unification is really so high, they themselves must be prepared to stake more. . . The Russians had not yet even been offered a guarantee that the Atlantic Pact was not to be extended to the Oder'.

Much earlier in the Conference, indeed, one West German commentator had given warning, on the one hand, of possible dangers of excessive rigidity on the Government side and, on the other, of illusions among members of the Opposition. 'The attitude of reserve which Bonn is compelled by force of circumstances to maintain would be of no particular significance but for the fact that in the last few days the discussions with and about Ollenhauer have shown what different interpretations can be placed on Molotov's utterances—despite the agreement embodied in the Bundestag resolutions as to the basic formula to be taken as a point of departure (first free elections, then a national assembly, then a Government, then a peace treaty). The Chairman of the S.P D. did not escape the suspicion that he imputed, in good faith, intentions to Molotov which after a thorough study of the Russian pronouncements proved to be unwarranted. On the other hand it cannot be denied that anyone who is against the E.D.C. (which is not synonymous with a rejection of all European defence) must inevitably be more open-minded in his evaluation of all Russian offers. The fear that the West might become entangled in too strongly preconceived notions and might miss a chance of agreement certainly extends right into Government circles'.[1]

Not much was heard, quite naturally, during the course of the Conference about the so-called Four-Power 'little solution' which some German commentators expected and feared might emerge if the Conference failed of its main purpose. In fact, the final communiqué merely recorded that the Foreign Ministers were unable to reach agreement on the German question. Mr Eden indicated, however, at the final meeting that the Western Foreign Ministers had instructed their High Commissioners to meet the Soviet High Commissioner in order to see what could be done to reduce the effects of the division of Germany, for instance by the easing of transport and frontier restrictions between the East and West Zones and between the sectors of Berlin. Nothing would seem less likely at the moment than that the East German Government will permit greater freedom of movement. They have, for

[1] *Süddeutsche Zeitung*, 4 February 1954.

example, just refused to allow the holding of a laymen's conference of the Evangelical Church in Leipzig next July because the strain likely to be imposed on the East German transport system would be too great in the 'unclear political situation'.[1]

The possibility of freer trade has been envisaged in the West German press as part of a 'little solution'. In so far as this concerns the two halves of Germany, it should be pointed out that at the present time the East German Government is behindhand to the extent of 16 million marks in its deliveries to Western Germany under the existing inter-zonal trade agreement. On the other hand the announcement, on 14 February, that a trade agreement had just been signed between the Federal Republic and Rumania is perhaps not without significance. Since the two Governments are not in diplomatic relations, the agreement was negotiated on the Western side by the German Eastern Committee, a semi-official body in Bonn. It provides for an exchange during 1954 of Rumanian mineral oils, timber, and grain, in return for West German iron and steel goods and machinery, to a total value of some 33 million dollars. A recent number of the West German Government's Bulletin gave a warning that the Soviets were likely to make every effort to 'plug the gap in the still not fully integrated economy of the Eastern bloc'. Other West German papers have recently issued warnings against the illusion that there could be a decisive increase in East-West trade without a lessening of political tension. But there are signs that it may be difficult to convince German business men that to re-enter pre-war markets in Eastern Europe might have harmful political results which would outweigh any anticipated economic advantages.

Not until the Foreign Ministers' Conference was over, and with it the possibility of positive answers by Mr Molotov to the Western Ministers' questions on his security plan in relation to N.A.T.O., or on any other subject connected with Germany, could there be any official pronouncement by the Federal Chancellor. But despite indications that two of the parties in his coalition Government are not yet fully satisfied with the Bill now before the Bundestag on the constitutional changes needed to give effect to the Government's rearmament plans, there is little reason to suppose that the Chancellor will not carry the country with him in his summing up of the short term results of the Conference as they affect Germany.

[1] *Manchester Guardian*, 15 February 1954.

It is not within the scope of this article to make conjectures as to the consequences of the Berlin Conference on Western policy. If comparatively little has been written concerning reactions in Eastern Germany to the later stages of the Conference, the reason is not far to seek. The newspapers and the radio have carried, as front page news, the words of Mr Molotov, with brief and partial summaries of the Western Ministers' statements and arguments; the movement for 'the peaceful solution of the German problem' continues with increasing intensity, and plans seem to be afoot for another monster plebiscite which presumably will not differ from the 1951 plebiscite against rearmament—to which 12 million signatures were said to have been affixed—or from the National Front petition of January 1954 for the representation of Germany at the Conference, with its 10 million signatures. The authority for these figures is no other than Herr Grotewohl; the Western Foreign Ministers were given evidence unasked in the letters they received from East Germans as to how the figures, in the latter petition at all events, were secured. Since June 1953 Western Germans have known what value to attach to these and other demonstrations of support for the regime in Eastern Germany. No one within or without Germany can for a moment doubt the desire of all Germans for the unification of their country. The question, unfortunately, still remains—upon whose terms?

H. G. L.

Mexico Today

MEXICO, once a land of great social ferment and struggle, is witnessing another kind of revolution which is making more fundamental changes in the pattern of her national life than did the more dramatic and colourful conflicts of the past. The old ways of life in which the Indian and Spanish colonial institutions were mingled still manage to survive in some parts of the country. But it is the drive to revolutionize Mexican industry and agriculture which has increasingly captured the imagination and support of the Mexican people and Government.

The attempt somehow to retain what is prized in the h
the past is being made with great energy, but there are an
cations that many of the more picturesque elements of
life—so much relished by tourists from more developed
such as the United States—have died or are in the process
hurriedly discarded. Yet so strong is the national chara
personality that it may yet be possible for Mexico to achie
trialization, but with a difference. There can be little dou
ever, that she has left behind that part of her tradition wh
to popular legend such figures as Francisco Villa and
Zapata. In their place has come a sobriety which is epito
the person of the President who took office in Decem
Adolfo Ruiz Cortines.

Something of the flavour of the past could still be not
conduct of his predecessor as President of the Republic
Alemán. The six years during which he was in office wer
by a somewhat feverish atmosphere in which a series of
plans and projects were announced or undertaken wit
acclaim that could be produced by newspapers which
markably unabashed about thus advertising the fact that t
receiving Government subsidies. Industrialization was
pursued at a headlong pace. At the same time, costly d
plans for the development of huge areas were either pl
actually undertaken; roadbuilding was pushed forward
outskirts of the capital a cluster of impressive skyscrap
built to house the National University. Yet although ev
ing figure in President Alemán's administration took ca
the customary pledge of support to the revolutionary pr
enshrined in the 1917 Constitution, public confidence in
ernment party traditionally committed to 'institution
revolution was beginning to wane. No doubt much that w
while had been accomplished during the preceding six y
the Alemán approach had the merit of winning popular su
least for a time, for a vast national programme. But ir
public works were in danger of becoming a mockery in
whose economy showed signs of weakness and decline.

Public opinion was more than ready for a careful re-as
of the situation and for a chief executive who would give
more sober approach to the nation's immediate problem
dent Ruiz Cortines was able to satisfy it on both counts. In
and public papers in which bombast was kept to a mini

did not hesitate to put the unpalatable facts before the nation. He insisted that Mexico's rate of population growth was outstripping the increase in national wealth; that the *campesinos* were being driven to seek work in the cities or on farms across the northern border; that inflation had devalued the peso to a quarter of its purchasing power in 1941. Later in the year still other home truths had to be faced. A serious drought had added to rural poverty and necessitated an increase in food imports, while a drop in the prices of some of Mexico's chief exports, such as cotton, crude petroleum, lead, and zinc, had coincided with a decline in the tourist industry. At the same time, the rate of Government and business investment faltered—the first because of the period necessary for the new administration to take stock, the second because of an uneasy period of suspense while the new President's policies were being clearly defined and enunciated.

As time went on, President Ruiz Cortines made it obvious that his main emphasis was to be on quiet hard work rather than theatrical display. Although he was unquestionably a reformer, a radical programme of sweeping changes had no appeal to him. Instead he embarked on a programme to rid the Government of graft and excess expenditure, while at the same time he worked steadily to winnow the wheat from the chaff of Senor Alemán's grandiose plans. Among the measures which pointed the way to his new approach was a complete overhauling of the administration of the Federal District itself, together with the suspension of Government support for the press.

On the wider front, the new administration faced the problem of what to do to increase the purchasing power of the millions of peasants—estimated to comprise 60 per cent of the population—who receive less than 20 per cent of the national income. For unless land was irrigated in the north and reclaimed from the jungle in the south, droughts in the northern areas would continue—as they did last year—to force over a million Mexicans to try to cross into the United States to seek seasonal employment. Still another indication of the failings of agricultural policy in the past was to be found in the fact that Mexico's urban population had, since 1940, risen by more than 40 per cent, while the rural population had increased by only 15 per cent in the last twelve years. It was also apparent that the famous *ejido* system of collective farming, a pre-hispanic institution restored as one of the fruits of the revolution, was breaking down. The land for each community did not miraculously

increase with the population, and has not been made to yield more because there have not been enough farm credits to provide better seeds, fertilizers, insecticides, and instruction in scientific farming. Obviously the Government was obliged to take action to eliminate a situation in which Mexico was unable to feed herself from her own fields and had to import maize and other food staples. For by seeking increased production of cotton, so as to export it and garner foreign exchange, the intensification of food production had been neglected and the nation's farm economy thrown out of balance

Time will be necessary to make a reckoning of the effectiveness of the gigantic irrigation and electric power projects undertaken under President Alemán to stimulate agricultural production and raise the income of the farmer. Those of his predecessor's projects that were close to completion have been finished and put into operation by President Ruiz. Some of the other plans—such as the vast scheme for the development of the south-eastern portion of Mexico in the Papaloapan region, known as Mexico's TVA—have been subjected to pruning and thorough revision. The main aim has been to concentrate on projects which can be finished and produce results as quickly as possible. Thus, funds have been appropriated to drill wells which will supply parched villages and their lands with water, to extend farm credit facilities, and to plan for immediate resettlement of farmers in new colonization areas. The new plans will not produce the imposing structures which the Alemán administration raised on the Mexican landscape, but it is hoped that they will be more effective in meeting problems of immediate concern.

Industrialization, as it was developed during the preceding period, did not provide the answers to many of Mexico's problems President Ruiz is committed to industrial development, but he has drawn attention to a fact too often obscured: that industry cannot succeed and expand unless it is supported by continually increasing purchasing power. Out of a considerable re-thinking on the problems of Mexico's industrialization a number of measures have emerged, the first of which placed—and enforced—ceilings on prices for basic foods. The Government then acted to raise wage levels despite employers' complaints that higher labour costs would drive marginal producers out of business, cause greater unemployment, and reduce sales because of the higher prices which must be charged to cover a larger wage bill. The administration's spokesman, the Secretary of Economy, has insisted that

Government was obliged to act because it was 'socially unjust economically unwise' to allow the proportion of income ear-ked for workers' wages to fall, as it has for the past ten years, le profits during the same period rose. The new programme, ough unpopular in some quarters, has the support of those xican industrialists who have learned the lesson Henry Ford ght in the United States over forty years ago when he astonished roit with his initiation of the $5 daily wage.

ndeed, private business has little to fear from the present iinistration in Mexico. The Government is doing all it can to and production. An Industrial Guarantee Fund has been set up ough which industrial enterprises are granted bank loans. iff protection, better fuel supplies, power, transport, and com-nications services, and tax concessions to encourage the re-stment of profits have all been extended to industry. The pro-tion of profits that will not be taxed if re-invested has been ed from 10 to 30 per cent. Small industries are favoured by a er tax rate. Provisions already existed for tax and tariff exemp-i for the first ten years of operation by industries deemed to be ing a contribution to the national economy. Thus, by stimu-ng both investment on the part of industry and consumption by kers, the Government hopes to give more strength and inde-dence to the internal economy and provide for the thousands enter the labour force each year.

udging by the experience of recent years, Mexico must incur an ual investment of over $400 million if she is to provide jobs for population. In 1951 over one-fourth of this sum came from ct foreign investment, and Mexico has also received substantial is and credits from abroad, chiefly from the United States. al private foreign capital invested in Mexcio has more than bled since 1945. It is now estimated by the Banco de Mexico at ut $700 million, with manufacturing as the chief attraction for stors. Foreign investment in industry has grown from 119 lion pesos in 1938 to 1,565 million in 1951. Mining, tradition-the chief source of wealth in Mexico, was the second largest pient of foreign capital, and the demand for minerals after the inning of the Korean war brought a resurgence of activity in type of investment.

he United States has naturally been the chief source of foreign ital for Mexico. By the end of 1952, the leading development k of the Mexican Government had borrowed a total of $261

million from the United States Export-Import Bank, from the World Bank, and from a few private United States banks. The direct investment in Mexico by private United States investors is now conservatively estimated at over $500 million. American manufacturers have opened many branch factories for the production of foodstuffs, chemicals and toilet articles, rubber goods, and consumer goods. Branches of United States retail shops have also been established. Subsidiaries of United States motor car companies assemble about 30,000 vehicles a year in Mexico, and there are also branch assembly plants for refrigerators, electric ranges, radios and television receivers, and other major appliances.

The expansion of foreign investment in Mexico demonstrates that the Government has welcomed the entrance of capital from abroad. The present law on foreign investment in Mexico requires that 51 per cent of the ownership of an industry established in Mexico must be vested in Mexican citizens. But exemptions have been given for most kinds of industry, except in the cases of publishing, films, radio, transport, fishing, and beverages.

It is evident that much of the pressure upon the Government to give a new form and direction to foreign investment comes from the growing numbers of industrialists and manufacturers who have been created by the drive towards increased industrialization Their cast of thought is indicated by a request from the National Industrial Chamber that the Government should enact a new law ensuring that basic industries are controlled by Mexicans, and that preference should be given to foreign credits over direct investment. In support of their position they contend that interest and dividend payments abroad are rising and threaten to upset the already precarious balance of payments.

Within the last year something of a new pattern in the participation of foreign capital in Mexican enterprise has begun to emerge as the Government has sought to achieve greater diversity of investment. Officials have stated that in the future Mexico will not accept foreign credits if they are conditional on the purchase of machinery and equipment from the lender country. A welcome has been extended to investment offers from Europe in which foreign concerns offer to go into partnership with Mexican industrialists. Something of what may become a strong element in Mexico's industrial structure can be seen in the large cellulose factory now being set up with Mexican Government assistance as a joint Mexican-Italian venture. Reports are also current of a

Mexican-German consortium to expand the steel industry, and the Government is studying plans put forward by four groups from the United States and Europe for the establishment of a heavy chemical industry. A group of European bankers have offered the north-western state of Sinaloa a seven-year loan of $69 million for developing agriculture through electrification and irrigation projects. A Fiat assembly plant for lorries is also being built in Mexico.

So far as American capital is concerned, there will be ample scope for its use even if it is restricted to industries where it does not compete with national capital, and the same may be said of foreign investment in general. For as Mexican industrialization advances, opportunities open for investment in complementary industries which do not exist at present. United States petroleum companies, conspicuously absent for some years after the expropriation act of 1938, have returned to Mexico, first as sub-contractors for Petróleos Mexicanos, the nationalized oil concern, in exploratory drilling operations, and more recently as suppliers of lubricating oil and aviation fuel. Four American companies have grants to work a Government sulphur concession in the Isthmus of Tehuantepec. The scale of the operations may be judged by the fact that one of the companies has invested over $5 million in the first sulphur plant to be built outside the United States to use the Frasch process. The Government, anxious to provide for increased chemical and fertilizer production within Mexico, will extend a warmer welcome to such enterprises than it will give, for example, to the establishment of another foreign-operated soap or detergent factory.

The memory of the Mexican revolutionary period dies hard, particularly in Europe where accurate information on Latin America often appears to arrive very tardily or not at all, but it ought to be possible now to take a more balanced view of Mexico as it is today. The revolution itself was brought on by an irresistible land hunger and its primary aim was to achieve a measure of land reform. To a large extent, Mexico's agricultural problems, although still of great importance, have tended to fade into the background as time has passed. As in many of the Latin American countries, it is now the drive to industrialize which attracts public attention. Closely related to the vigorous national feeling and strong character of Mexico itself, the development of industry has become the foremost national goal which must be supported by all

those who hope to achieve and retain positions of power in Mexican public life.

No doubt there are many—and not only in leftist circles—who would like to see industry developed exclusively by domestic capital. For the past twenty years, however, no Mexican Government has attempted to rely upon private Mexican capital to do so, although various measures have been and will continue to be taken to encourage domestic investment. But even during the immediate post-war years, when Mexico's exports rose to a high level and provided the funds for increased investment by Mexicans themselves, foreign investment went on alongside it at a growing pace If foreign investment flourished during such a prosperous period it is difficult to see how it can be dispensed with now that falling commodity prices are shrinking the amount of local capital investment.

Certainly, as a liberal capitalist country, Mexico does not seek to extend Government control to industry. While the State provides assistance in various forms to local enterprise, it also supports a policy of encouraging joint investment by Mexican and foreign capital. It seeks to diversify investment among various countries, as well as to channel it, to some extent, into specific areas of development helpful to the national economy as a whole. Although not a dramatic figure, President Ruiz is quietly but energetically pursuing a policy designed to make agricultural and industrial development contribute to the mutual support and strengthening of each other. Such a process, more haphazardly pursued in former years, has now entered upon a period of constructive consolidation and extension.

Traditionally recognized as one of the leading nations of Latin America, Mexico's progress towards her goal will be eagerly watched throughout the hemisphere. Nor will interest be confined to her neighbours on the two American continents, since Mexico has problems in common with many other countries in the family of nations. Like many of them she feels herself gifted with a cultural heritage of great value and integrity. Such a pride makes its own contribution to a desire to build a powerful modern nation. As industrialization proceeds, an aspiring middle class is most vocal in its demands for a better standard of living and for the introduction of the technology and the comforts which go with it. Films and periodicals from the United States and other highly developed countries also play their part in inspiring many people

to seek material advance. An urge to emulate the United States and its experience, so far as its high production and living standard are concerned, has done much to contribute to the desire for industrialization. In addition, railways and a national road system have done much to carry stories of the glamour and attractions of life in the cities and rendered the hand-to-mouth existence in remote rural areas more and more unattractive. The Indian *campesino*, sometimes emboldened by a drink of the fermented juice of the agave, who angrily throws a stone at the window of the passing limousine gives momentary vent to a feeling of anger which later may find expression in his throwing up his job on a farm to go into the crowded capital. There he joins the thousands clamouring for a job in a factory. Eventually, the same peasant hopes to drive a motor car himself.

Mexico, then, like many other nations has found that there is no turning back once the race for industrialization has begun. When the first steps have been taken, forces are generated, often in the most unexpected quarters, which insist that the process go forward. The latter part of the nineteenth century and the first ten years of the present century saw the beginnings of the process of industrialization during which railroads, a road system, and some manufacturing came into being. After the revolutionary period from 1910 to 1920 the country again moved forward towards its goal. With the second World War, which necessitated the production of goods within Mexico that could not be supplied from America or Europe, the country's domestic industry was given perhaps its greatest incentive. The impetus achieved at that time has helped to push her much further along the road.

Because of the course of her development, the debate over whether or not Mexico should industrialize has now only an historical interest. Those within and outside the country who still dream longingly of the 'good old days' can expect to receive no more than a pitying glance from a people determined to march forward into the ranks of the fully industrialized nations. How Mexico deals with the problem now and in the future is certain to provide a chapter of engrossing interest in the larger story of the attempt by many nations to attain a similar position.

P. C.

The Dilemma of the Polish Economy

AMONG the countries of Europe Poland is certainly one of those which the last war left with the most profound structural changes, whether geographic, demographic, or economic: with heavy scars, yet still with great potentialities. About a fifth of her population and two-fifths of her national wealth were lost in the catastrophe. about half her territory, with over a third of her population, was annexed by the Soviet Union, and this as well as her territorial gains in the West involved large scale migrations. In effect her lands have shrunk by a net fifth and her population by two-sevenths, while her industrial capacities have increased by about a third.

By 1949 the newly acquired territory was already adding roughly a half to coal, cement, paper, sugar, and engineering output and two-thirds to her power generation: it has doubled her coke output and has supplemented her steel output by a fourth and her cotton goods production by a third. It provides Poland with half the goods she exports. Her coast line has been lengthened to some 300 miles, and she has acquired two great harbours, Gdansk (Danzig) and Szczecin (Stettin), connected with the hinterland by means of a dense network of railroads and inland waterways While Poland lost much of her pre-war agricultural and forest wealth to the Soviet Union, the relatively more advanced farms of the West provide her towns with an added third and two-fifths respectively of bread and potatoes. The malaise of the population pressure upon farmland has been relieved: there are now roughly three acres of arable land per farmer, as against only two before the war. In a word, from an upheaval which reduced her political status Poland has emerged as a different economic unit with a higher potential and still higher potentialities.[1]

By 1946 Russian dismantling operations and removals of capital equipment from the new Polish territory—officially estimated at about half a milliard dollars[2]—ceased, while most of the U.N.R.R A. aid allocated to Poland, amounting to a similar sum, was already being injected into the country's economy.

Increasing Western opposition to Soviet designs on the Ruhr

[1] cf. S. Jedrychowski, *Trybuna Ludu*, 3 June 1951 and 23 September 1952; A. E. Szypinski, *Gospodarka Planowa*, 1953, No. 1, p. 37.
[2] cf. Bierut's statement, *Rzeczpospolita*, 24 August 1945.

may have influenced Russia's decision to build up a substitute within her own sphere of influence, based primarily on the riches of Silesia. The work of reconstruction in Poland was set on foot in accordance with a mixed socio-economic pattern which still looked—to use someone else's apt expression—with one eye towards Marx and the other towards Keynes. By 1949 the initial goals had been, broadly speaking, attained and surpassed, and long-term programmes were adopted, with three aims in view: to assimilate the country's social and economic structure to that of the Soviet Union, to industrialize it as rapidly as possible, and to integrate it with the whole of the Soviet orbit. As everywhere else in this orbit, the international tension brought about by the Korean crisis speeded up the process of a social and economic *Gleichschaltung*. The Communist Party's monopoly of power became complete: all internal opposition was smashed, the armed forces under Rokossovski's command were rapidly built up, the emphasis on heavy industries was increased, the collectivization of farms begun—all these processes in fact being closely interrelated.

Last January Poland passed the milestone which marked the last third of the six-year Plan period (1950–55 inclusive). This may be a good vantage point from which to assess past achievements and failures and to make some attempt at a forecast.

POLAND'S NEW PLACE IN EUROPEAN ECONOMY

There can be little doubt that the economic structure of the country has undergone a radical change. Town and country populations are now almost equal.[1] The share of industrial output in the gross national product has risen from less than half before the war to almost four-fifths. Even when making all necessary reservations as to the criteria and methods of calculation involved, the claim that the net industrial production reached a value of $2,500 million (1938 prices), as compared with the pre-war figure of $700 million, is not without significance. While even stronger reservations of the same nature are justified in any country-to-country comparisons across the Iron Curtain, there may also be some truth in the claim that in his per capita industrial output the Pole has overtaken and left far behind the Italian and is

[1] According to the 1950 census, 46 per cent of the population was then dependent on agriculture for its livelihood, as compared with 62 per cent in 1930. In 1952 the proportion of non-farmers was given at about 60 per cent (*Zycie Warsowy*, 19 August 1952).

in fact already approaching the French in the industrial race.[1] Yet another basic change is that the share of capital and strategic goods within the national product as a whole has risen sharply at the expense of consumer goods.[2]

Another important feature of the development programmes is the shifting of the geographical and economic centre of gravity. Four-fifths of the new plant being erected, and seven-tenths of the capital invested, lies outside the Silesia and Lodz regions. Before the war those regions employed between them two-thirds of the nation's industrial manpower, whereas by next year, according to plan, they will employ only half. Clearly two birds are being killed with one stone: military strategy influences the dispersal of vulnerable industrial centres, while class strategy dictates the large-scale transfer of proletarian elements to the industrial 'white spots' of the country.

ADVANCES IN INDUSTRY

Following the familiar pattern, steel, engineering, and heavy chemicals are the linchpins of Polish industrialization.

Steel. Poland's use of steel is estimated at 144 kg. per head—which does not place her very high in the European table. But the increase from a total pre-war production of about 1½ million tons to cover 3½ million tons of crude steel in 1953[3] is certainly an achievement. Next year this total is expected to reach 4·5 million

[1] This claim has been put forward on the basis of a semi-official computation derived from data published in the annual reports of the E.C.E. Such computations, for what they are worth, would show the following changes in net industrial production:

Country	1938			1952		
	Aggregate $ *md* (1938 *prices*)	*p cap.* $	*p cap. ratio to Poland*	*Aggregate* $ *md.* (1938 *prices*)	*p. cap.* $	*p cap. ratio to Poland*
Poland	0·71	20·5	1·0	2·5	89 6	1 0
France	3·2	75 7	3 7	4·4	104·3	1 16
Italy	1·8	41·0	2·0	2·5	52·1	0·6

cf. *Polish Foreign Trade*, 1953, No 17

[2] Producer goods represent more than half the industrial output. (Prawdzic, *Ekonomista*, 1952, No. 3, p. 56)

[3] *Pig Iron and Steel Output (in million tons)*

	1938	1947	1948	1949	1951	1952	1953
Pig-Iron	0·88		1·2	1·36	1·6	1·8	
Steel	1·44	1 58	1 9	2·3	2·7	3 2	3 6
Rolling-mill products (partly estimated)	1·08			1·6		2·4	

cf. E.C.E., Steel Division, *European Steel Trends*, 1949, p. 120, and 1952, Ann. 1A; E.C.E., *Economic Survey of Europe since the War*, 1953, p. 246; *Trybuna Ludu*, 4 November 1953. The longer-term aims are mentioned by Wang, *Gospodarka Planowa*, 1952, No. 6.

tons, and the eventual level of 8 to 10 million tons envisaged for the end of the current decade would make Poland an important steel-producing country of Europe. At the same time the handicaps of comparatively low pig-iron and steel-rolling capacities are being remedied. Both modernization and extension are under way. The extra steel and iron is to come mainly from three combines: Chorzów, Czestochowa, and Nowa Huta. It is the last-named—a huge combine of coke ovens, open hearth and blast furnaces, rolling mills, and thermo-electric stations—which is the 'giant' of the investment programme. The experience gained in its construction is to be used in building another—a high grade steel combine, already started in the capital. At Western European prices the Nowa Huta 'giant' alone would cost something like half a milliard dollars.

Engineering. Steel users follow suit at even higher speed. Steel-consuming branches of engineering, for the construction of rolling stock, tractors and vehicles, and ships are being developed. The rebuilt and extended factory of Wroclaw (Breslau) has made Poland one of the leading producers of railway wagons, with a recent annual production of some 17,000 wagons. New car and lorry factories at Zeran and Lublin have started production; tractor output has reached the figure of 6,700 machines of 15 h.p. a year—the equivalent of the annual supply to farming. A harvestor factory near Poznan is under construction. Machine tool output is, as far as tonnage goes, twelve times the pre-war figure. Ball-bearing production has begun, as well as that of many other kinds of equipment. While no ship over 5,000 g.r.t. has yet been built, and engines for ships have still to be imported from abroad, the shipyards of Gdansk (Danzig), Gdynia, and Szczecin (Stettin), employing 26,000 workers, are being gradually developed. They have supplied at least a part of the ocean-going fleet of about 350,000 g.r.t.[1] Before the war engineering ranked, in production value, fifth, after food processing, textiles, and coal: after fifteen years it outstripped them all, and in 1952 took first place among all the branches of industry.[2]

Rough estimates, based on those of the Economic Commission for Europe, suggest an overall engineering output approaching 1½ milliard dollars, which, theoretically at least, is sufficient to

[1] *Trybuna Ludu*, 4 November 1953; E.C.E., *Economic Survey of Europe*, 1953; *Financial Times*, 28 October 1953; *Izvestia*, 6 January 1954.
[2] Prawdzic, in *Ekonomista*, 1952, No. 3, p. 63.

provide equipment for a quarter of a million new recruits into industry.[1] It is certain that this output also equips recruits for the swelling armed forces. One of the economic reports to the Central Committee in preparation for the second Party Congress significantly states that 'the necessary amount of defence equipment has been secured.'[2]

Chemicals. Self-sufficiency in cement, a necessity for Poland's building programmes, has been secured both through the plant acquired in the Western territories and through the newly-constructed factories, among which the new Wierzbica factory is said to be one of the largest in Europe.[3] Large-scale investments have in fact been made in almost all fields of the chemical industry. Sulphur acid factories have been modernized. The important chemical combines of Oswiecim (Auschwitz) and Wizow are being expanded. Output of phosphate fertilizers appears to have reached about 150,000 tons a year, while that of nitrogen is slightly higher. In 1953 something under 500 million tons of domestic and imported fertilizers (in terms of pure content) went to agriculture When the Kedzierzyn (Heydebreck) factories are completed about three or four years hence annual output should reach a level of a million tons of nitrogen fertilizers.[4] Herein lies one of the main links between industrial investment and programmes for agricultural development.

Raw Material Deficiency. Considerable means are devoted to the development of synthetics and plastics. It is in this field that the planners try to make up for Poland's deficiency in such basic raw materials as rubber, leather, cotton, and wool.[5] In all of them she is heavily dependent on imports, and this applies also to all non-ferrous metals except lead and, above all, zinc, the only one

[1] Assuming that half of the output is needed for replacements and that $3,000 worth of machinery is required on the average to equip a new worker Cf E.C.E., *Economic Survey of Europe*, 1953, p. 202

[2] *Trybuna Ludu*, 4 November 1953

[3] Poland's cement output has been reported as follows (in million tons)

1938	1946	1949	1953
1·72	1·34	2·35	3·32

The brick output is in the neighbourhood of 1,000 million (*Zycie Warszawy*, 15 January 1954). Cf *Trybuna Ludu*, 4 November 1953.

[4] Derived from *Polish Facts and Figures*, 31 October 1953. Poland has lost all her deposits of potash in the territories annexed by the Soviet Union. Her output of K_2O was about 100,000 tons before the war. Prospecting for potash is under way in the Klodawa region.

[5] The new territories increased Poland's wood-processing capacities by two-thirds, while her forested area is a sixth less than before the war. This and the steeply rising building and industrial consumption account for the scarcity of timber as well.

of which she has very rich deposits.[1] The scepticism felt concerning the ambitious development plan for copper appears to have been justified,[2] and little is known about the progress of the plan for doubling zinc production.

Neither does there seem to have been any marked success in the frantic efforts to achieve even a modest degree of self-sufficiency in iron. Poland's iron ore resources are small and of low grade. Independent experts appraise sceptically the Soviet experts' analysis and development programme, which assumed that by 1955 home supply would cover some 30 per cent of the total blast furnace requirement.[3] Probably not more than a third of this target has been achieved: the rest has to be imported mainly from the Soviet Union and Scandinavia.

Coal. Poland's greatest wealth—coal—has to make good her deficiencies in other raw materials. It is the basis of the expanding chemical industries and metallurgy, and the main source of industrial energy. In one sense it is abundant, yet in another it is scarce.

Official statistics on Polish coal tend to mislead the reader by making the usual comparisons between present-day achievements and the performance of the old-territory mines alone. It is true that the 1953 output figure of 89 million tons—51 million tons above the pre-war figure of about 38 million—is impressive, but Poland's mines are only now approaching their all-time record level of ten years ago (though admittedly the German war-time management grossly neglected maintenance).[4] However, Polish coal basins have extremely favourable geological conditions; their

[1] It is probable that zinc output has by now surpassed (by 25 to 30 per cent) the pre-war level of 100,000 tons, i.e. has roughly regained the 1937 level of the present territory's output (135,000 tons). The same may apply to lead (20,000 tons).

[2] *Trybuna Ludu*, 4 November 1953

[3] Polish iron ore reserves are estimated at perhaps 147 million tons, with an average of 28 to 30 per cent iron content Cf *European Steel Trends*, p. 115. The current output seems to be a quarter above its pre-war level, with 350,000 tons metal content, i e one-third of what was planned for 1955

[4] *Polish hard coal and lignite output (in million tons)*

	1938	1943	1946	1948	1949	1950	1951	1952	1953	1955 *Plan*
Coal										
Pre-war territory	38									
Present territory	69	92	47	70	74	78	82	84	89	100
Lignite (present territory)	6		2 3		5			6		8·5

cf E C.E., *Economic Survey*, 1953, p. 244, *Trybuna Ludu*, 4 November 1953; *Kohlenwirtshaft der Welt in Zahlen*, Essen, 1952. Poland's probable main coal reserves have been estimated at 193,000 million tons, of which about 20,000 million is coking coal. cf. *European Steel Trends*, p. 116.

average thickness of seams is greater than that of Germany, France, or Britain, and the average depth of the seams is smaller than in the Ruhr or the United Kingdom. The low productivity of the miner will be discussed later. A return to his pre-war output and its gradual increase can be achieved only through large-scale investment, better labour relations, and improvement in living standards. In all three of these respects the position is far from satisfactory, despite the relatively high burden carried by the nation to secure coal output expansion. Since the war two new mines have started production, while eight more are under construction: after several years they may add about 10 million tons to the annual production. Investment is concentrated mainly on the mechanization of existing pits: it has been estimated at $1·5 per ton of annual output, which would mean a total expenditure of about $120 million.[1]

Perhaps even less satisfactory than the state of fuel production is that of fuel economy. Deficiencies in technology as well as in industrial organization seem to account for a very high wastage for example, it takes about 0·91 kg. of coal to produce 1 kwh of electricity in Poland, or about half as much again as in Britain. In a typical railway district 60 kg. of coal are used per 1,000 ton-kms where 50 were used before.[2]

As a result of all this, although with a yearly coal output of about 3·4 tons per head Poland ranks among the main hard coal producers, fuel has become one of the limiting factors of the economy. Over the current Plan period industrial production has more than doubled, but coal extraction rose only by a fifth.[3] The lag of coal behind the overall growth of the national economy is in fact greater than is reflected by these two figures owing to the disproportionally rising requirements of coking,[4] chemicals, and other

[1] E.C.E., *Economic Survey of Europe*, 1953, p 206.

[2] E.C.E., *Recent Developments in the Electric Power Situation in Europe*, 1951–2; *Zycie Gospodarcze*, 1953, No 32, p 1269 and No. 13, p. 387.

[3] In the official version gross industrial product rose by 115 per cent in 1953, as compared with 1949. But the reader should be cautioned as to the statistical criteria and methods applied. Cf. *Trybuna Ludu*, 4 November 1953

[4] By next year coking requirements may reach as much as 15 per cent of Poland's coal output. Cf. *Zycie Gospodarcze*, 1952, No. 9, p. 456. Coke output may be estimated at about 8 million tons, as compared with the pre-war (1938) figure of 2·3 million tons in the old and 5 7 million tons in the present territory Particularly heavy investment is required to raise the output of high-grade coking coal there are rich deposits of it around Walbrzych, but working conditions are more difficult there than perhaps in any other Polish coal field Nevertheless sustained investment effort in both coal mines and coke-using plants have helped to overcome the acute shortage.

coal-consuming industries, as well as to the demands of the co-satellites which are affected by chronic fuel hunger.

Energy Generation.[1] As with coal, the usual official comparisons of pre-war energy generation in the old territory with that of present-day Polish power stations tend to mislead the reader. True, the plants are producing three and a half times as much electricity as before the war.[2] And already 4,600 kwh per worker are consumed in Polish factories, as against only 3,400 kwh in 1938.[3] But an empirical rule of thumb suggests that electric power generation in an economically progressing country must outpace industrial output by from 20 to 30 per cent, while for Poland in the current Plan period the reverse is true, since with 13·5 milliard kwh her power generation is only greater by half than it was at the start. Thus here again we are up against a 'bottle-neck' trend. However, the current capacity increase per head of population for the period between 1952 and 1955 is 0·08 kw,[4] a figure corresponding to, say, that of France, and even higher than that of Western Germany, though far lower than the British. In addition to large thermo-electric plants such as Miechowice and Jaworzno,[5] hydro-electric stations on the Porabka and the Sola rivers, built before the war, are being steadily expanded, as well as the powerful Dychow station on the Bober river. (On the other hand for some time deep silence has prevailed as to the previously much-publicized plans for developing in the next Plan period hydro-electric power resources within the framework of a vast development programme of the whole inland water system: it is likely that this

[1] Before the war Poland was able to cover her consumption of oil by her own output of about half a million tons a year. After the war roughly two-thirds of her oil fields were annexed by the Soviet Union. In what was left of them the output has been probably brought up to something like 250,000 tons. The rest of her consumption requirements, estimated at about 600,000 tons, is covered in part by the expanding synthetic oil production (perhaps 100,000 tons) and the remainder by Soviet and Rumanian imports of crude and refined products.

[2] *Production of electric power (milliards of kwh)*

	1938	1946	1947	1948	1949	1950	1951	1952	1953	1955 *Plan*
Pre-war territories	3·98									
Present territories	7	5·7	6·6	7·5	8·1	9·4	11·11	12·7	13·5	19·3

The present electricity consumption is about 620 kwh per inhabitant, as compared with about 1,430 in Great Britain and about 1,140 in Western Germany. Cf E C.E., *Economic Survey of Europe* 1951, p. 245; *Trybuna Ludu*, 4 November 1953.

[3] *Trybuna Ludu*, 4 November 1953.

[4] E.C.E., *Recent Developments in the Electric Power Situation in Europe*, p.65.

[5] Only about one-twentieth of Polish electricity production comes from hydro-electrical stations. Consequently, even if electricity is taken into account, coal still remains the decisive basis of energy generation of the country.

programme has been shelved for the present.) A major hydro-electric plant takes up to ten years to construct and, as with railway construction, is apt to tie up vast amounts of capital. It seems that $1,000–1,200 million is a conservative estimate of the cost—at Western prices—of increasing Polish thermal and hydro-electrical capacity by the 2,000 mw planned for the 1952–5 period only.[1]

MEETING THE CAPITAL DEMAND: FOREIGN TRADE

What has been said so far may serve to convey at least the scale of the tremendous investment effort which has become the fundamental problem of post-war Poland. The crucial question is from what source can a capital demand of such scale be met. In attempting to answer this question it may be convenient to begin with the Polish balance of trade.

With the necessary reservations, the sum of between $1·5 and 1·6 million may be taken to represent broadly the order of magnitude of the Polish foreign trade annual turnover.[2] Imports have been pruned down to bare essentials. Machinery and other equipment represent more than a third, and with raw materials and semi-finished goods they make up no less than four-fifths of the total imports. The power generation development programme involves the importation of large machines and generators; coal, ore, and oil development plants imply such requirements as composite coal cutting and loading machines, or excavating machines, and coal and ore sorting, washing, and lifting machinery; metallurgy and steel development need equipment for steel furnaces and rolling mills and for the production of ferro-alloys. Some types of basic chemical producing machinery are also needed from abroad. While, generally speaking, the import requirements of the vast building projects are comparatively low, some machines, such as heavy excavators, have to be imported, as well as some light industrial equipment and special agricultural machinery—though, as has already been mentioned, Poland is self-sufficient in her present limited supply of tractors. Moreover, regular imports of deficient raw materials are a necessary adjunct of the growth of industry they have to feed.

In broad terms, Poland's gross import requirements of machinery

[1] Rough estimate derived from E.C.E., *Recent Developments in the Electric Power Situation in Europe*.

[2] Computed on the basis of the published data on the share of countries outside the Soviet *bloc* in Poland's foreign trade—see below.

and equipment may be said to amount to $280 million a year, representing about a fifth of her machinery investment.[1]

Let us examine more closely the way her import requirements have been satisfied.[2] Clearly, to the extent that the resources needed for investment might come from abroad in the shape of grants or credits, the burden carried by the nation itself would be lessened.

Integration within the Soviet orbit finds its expression in the constantly falling share in Poland's foreign trade of countries outside the Soviet orbit. Though valuaton of the intra-orbit commodity exchanges is, owing to lack of information, a most elusive process, it may perhaps be accepted that at present the Soviet Union, the remainder of the Soviet *bloc*, and the rest of the world each represent roughly a third of her foreign trade volume.[3]

Trade with the West

In exchange for industrial goods, iron ores, and a few basic raw materials, mainly from overseas, such as rubber and wool, Poland supplies the West principally with coal, food, and timber. For several years after the war her coal was in fact the greatest single currency earner of the Soviet *bloc*: at the time of the Korea boom it brought her about $250 million a year. As a result of shrinking in both markets and availability, it now earns perhaps no more than a third of this amount, while the export tonnage fell to a half of the post-war peak.[4] Increased food and timber exports

[1] Estimates made (probably at an early stage) by the Industry and Materials Committee of E.C.E. put Poland's gross import requirements of engineering products in 1953 at a lower sum, i e at $190 million. The same source estimated Poland's export potentialities in engineering at $80 million, and her gross import requirements at 23 per cent of the whole machinery investment. Cf. E C E , *A General Survey of the European Engineering Industry*, 1951, p. 113.

[2] Polish foreign trade turnover is stated to have developed as follows·

1938	1947	1948	1949	1950
100	75	140	167	174

Unfortunately no information on the method applied has been given. Cf. *Polish Foreign Trade*, 22 July 1951, p 21

[3] Figures given for trade with countries outside the Soviet *bloc* (expressed as percentage share of the total foreign trade volume) are: 1948, 59 per cent; 1950, 41 per cent; 1951, 42 per cent, 1952, 33 per cent.

In 1952, of the 67 per cent share of the Soviet *bloc* in Polish foreign trade the Soviet Union was reported to be responsible for 32 per cent and the satellites for 35 per cent. Cf. Gede, *Nowe Drogi*, 1953, No. 3, p. 33. Bialer, *Ekonomista*, 1953, No. 3, p. 55 seq

[4] *Export of coal to Western Europe (in million tons)*

1936–8	1948	1949	1951	1952	1st quarter 1953
11·3 (average)	13·4	12·0	9·9	7 1	1·4

cf. E.C E., *Economic Bulletin for Europe*, vol. 4, Nos 2 and 3, vol. 5, No. 2.

have recently had to come to the rescue.[1] As a result, th
Kingdom far outpaced all other Western European cou
a Polish export market. (Finland is a close runner-up,
balance in Poland's Finnish trade of about $20 million
being offset by Finnish deliveries to the U.S.S.R. How
angular arrangement is settled between Poland and the U
has never been disclosed.)

In broad terms, Poland's exports to countries outside th
orbit exceed her imports. In 1952 the surplus was ab
million. In other words, Poland's trade with the free worl
her with some surplus which accrues to the Soviet-co
foreign exchange pool.[2]

Trade with the Co-satellites

There is very little data available as to Poland's trade
co-satellites. Her main trade partners among them are
Germany and Czechoslovakia. They provide Poland with
a quarter of her capital goods imports, though she herself
these two countries, as well as other co-satellites, with roll
and some machine tools and other machinery. She serves as
reservoir of the whole satellite orbit and at present provide
perhaps 12 million tons of coal a year.[3] She is also the s
supply of zinc, while she herself depends on supplies of al
from Hungary and a few other non-ferrous metals from
and Rumania: the latter covers a part of her demand
Eastern Germany makes up for a part of her deficiency i
fertilizers. In spite of repeated denials, it is almost cert
Poland has to provide Eastern Germany with foodstuffs, a
times of acute shortages such as developed last year.
Germany appears to be the only co-satellite with whom

[1] In 1936–8 Poland exported 1·8 million cubic metres of timber; i
timber exports averaged 427,000 cubic metres a year.

[2] In 1952 the value of her imports from outside the Soviet *bloc*
million, and of exports $284 million. In 1953 (estimated on a yearly
8–9 months' data) these figures probably fell to $135 and $200 milli
tively. Estimated from E.C.E. *Economic Bulletin for Europe*, vol. 5, N
Direction of International Trade, Statistical Papers, Series T, vol. I

[3] In 1950 Poland delivered 7·2 million tons of coal to Eastern Ger
million tons to Czechoslovakia, and 0·3 million tons to Hungary. Cf. U
Economic Report 1950–51, p. 117.

Polish home consumption of coal has been reported to amount to 62
tons: this would leave some 26 million tons for export, of which, in 1
20 million tons were for export to the Soviet orbit. Assuming that
Russia amount to about 8 million tons, 12 million tons would represe
to co-satellites. Cf. *Górnik*, No. 23, p. 4.

has a credit balance in commodity exchanges: this means that, in so far as the chronic export surpluses are not settled, Poland has to finance East German economy.[1] Trade exchanges with the rest of the European satellite area are probably balanced out.[2] In the Asian area Poland has to undertake gift deliveries of machine tools, rolled goods, rolling stock, and other material for the reconstruction of North Korea.[3] She has also to shoulder a heavy burden in her economic relations with China. Up to two-thirds of her total ocean-going tonnage is tied up in Chinese trade; her exports of transport and industrial equipment to that country are rapidly growing, and she has undertaken to deliver and construct complete plants there, starting with two sugar refineries. Reliable sources maintain that China repays by her counter-deliveries only a small part of the Polish goods and services she receives.[4]

Polish-Soviet Trade

Polish-Soviet trade has trebled between 1947 and 1952, when it achieved the level (both ways) of 2,800 million roubles.[5] Since Poland's trade with the Soviet Union is supposed to be roughly equal to her trade with the whole of the world outside the Soviet *bloc*, the 2,800 million roubles have to be taken, with all due reserve, as equivalent to about $500 million.[6]

Polish-Soviet trade moves in two channels. In the first one Poland receives iron-ores, chromium, and copper (amounting to

[1] Development of Polish-East German trade has been reported as follows: 1948, 100; 1949, 161; 1950, 237, 1951, 322 Cf *Die Wirtschaft*, 5 September 1952 The 1951 turnover may be estimated at about $200 million.

[2] The latest figures reported for Poland's trade with Czechoslovakia and Hungary refer to 1950. In that year trade exchanges were broadly balanced out at the level of 166 million and 72 million dollars respectively Cf E.C.E., *Economic Bulletin for Europe*, vol. 3, No 2, Table XXII.

[3] *Polish Facts and Figures*, 21 November 1953

[4] Development of Polish-Chinese trade has been reported as follows: 1950, 100, 1951, 584; 1953, about 675. Of Polish exports to China 45 per cent are investment goods. Cf. Kobryner, *Zycie Gospodarcze*, 1953, No 27, p. 1029.

[5] Volume of Polish-Soviet trade has been reported as follows (in milliard roubles):

1945	1947	1948	1951	1952
0·35	0·79	1·2	2·28	2·8

Cf Bialer, *Ekonomista*, 1953, No. 3, p. 78.

[6] Polish-Soviet trade turnover was reported to have reached about $229 million in 1948 (Cf. Richter, *Zycie Gospodarcze*, 1 November 1949). Since that figure is supposed to have doubled by 1952, the estimate of its present level at about $500 million appears to be confirmed.

Some further direct computation may suggest a following tentative balance of trade of the two countries: current deliveries each way $150 million (first channel), Soviet investment deliveries $120 million, and Polish repayment instalments $60 million (for 1953).

between 50 and 80 per cent of her total imports of these metals), about 50 per cent of imported cotton, and 100 per cent of imported nickel and manganese.[1] All such imports are to be paid for fully and immediately by Polish counter-deliveries. The second channel is usually referred to as that of 'brotherly aid', through which Russia sells to Poland investment goods on credit. Transactions in this channel are of very limited size, amounting to 2,200 million roubles, which apparently correspond in value to $400 million, or to perhaps 3 per cent of the total investment of the current Plan. The terms are such as to make it hardly an investment credit in the usual sense. Deliveries are spread over a period of nearly ten years; each shipment is to be paid for within five years, repayment starting almost at once in the year following the delivery.[2] It seems that about one-third of the credit deliveries are to go to the Nowa Huta Iron and Steel Combine only.[3]

The burdensome service of the investment credit, added to the requirements of the first channel of Polish-Soviet trade already described, drains the country of a constantly growing stream of goods, particularly rolling stock, machine tools, and other machinery, as well as coal. In fact, in Poland's coal exports the Soviet Union has secured a leading place, with perhaps some 8 million tons a year,[4] and while, until recently at least, in Russia's requirements first priority has been reserved for producer goods, they are certainly supplemented by industrial consumer goods. Indirect estimates seem to confirm that between a third and two-fifths of Polish sugar output goes to the Soviet Union. Some Soviet cotton returns to the U.S.S.R. after being processed in Polish mills (which may account perhaps for the otherwise rather surprisingly

[1] See Bialer, *Ekonomista*, 1953, *loc cit*

[2] Dodziuk, *Zycie Gospodarcze*, 1950, No. 9, p. 421.

[3] Margaret Dewar, *Soviet Trade with Eastern Europe, 1945–9*, p 44.

[4] Soon after the war the Soviet Union suggested the creation of a mixed Polish-Soviet company for the exploitation of the Polish mines, with a 50–50 share of profits, the Soviet contribution to this company being the expulsion of Germans from the coal fields Since this suggestion met with strong opposition from the then Government of Warsaw it was replaced by an offer to take 'coal reparations' from Poland instead. These reparations have been cut down to 6 5 million tons a year and are supposed to last for the period of Soviet occupation in Germany.

S. Mikolajczyk, at that time Vice-Premier of the Government of Poland (*The Pattern of Soviet Domination*, p 158), maintains that the agreement with the Soviet Union provided for a price of $1·25 per ton, which seems to refer only to deliveries within the 'reparation' scheme. Cf. also Margaret Dewar, op. cit., p. 40, footnote 1.

E.C.E. estimates total Polish coal deliveries in 1951 at 8 million tons (cf *Economic Survey of Europe, 1951*, p. 65.)

large post-war development programme of the Polish cotton industry).

To assess more precisely the impact on Poland's economy of the role which the Soviet *bloc* plays as the main outlet for Polish exports and the source of Poland's supply, a better knowledge of the terms of trade than is available would be necessary. However, at least with regard to the major part of coal deliveries, there is enough reliable evidence to suggest that the Soviet Union obtains it as war reparation—something rather unusual between allies—and at a nearly nominal price.[1]

No mention has ever been made of the method of payment for Polish 'invisible' exports to the Soviet Union, among which the services of Polish railways in the huge traffic between the Soviet Union and Eastern Germany are of special importance. Neither has there been any mention of how the Soviet debt to Poland on German reparation account has been settled: this debt may be estimated to amount to $3 milliard.[2]

[1] See previous note.

[2] By the Potsdam agreement of 1945 the Soviet Union undertook to collect war reparations from Germany for Poland and to reimburse her with a 15 per cent share in her takings.

The Soviet Union's takings in war reparations, dismantling included, have been estimated at a total of $28,000 million (current). *Neues Vorwaerts*, 24 July 1953

A. Z.

(*To be continued*).

THE WORLD TODAY

Volume 10 *No.* 4 *April* 1954

*

Notes of the Month

Uganda Today

THE British Government's long-term policy towards the Protectorate of Uganda was defined by Mr Oliver Lyttelton in the House of Commons on 23 February 1954. Uganda is to be developed into a self-governing State with the government 'mainly in the hands of Africans', but with constitutional safeguards to protect the rights of European and Asian minorities. Immigration and the alienation of land will continue to be strictly controlled, and no industrial colour-bar will be tolerated. Previously Mr Lyttelton had also pledged that the federation of Uganda with other East African territories would not be considered without the sanction of the people of Uganda itself. At the same time it has been decided to send an independent expert, Sir Keith Hancock, to discuss with the representatives of Buganda and the Uganda Protectorate Government certain constitutional complications.

These complications revolve mainly around Buganda, one of the four Provinces of the Uganda Protectorate, which is an African kingdom in treaty relationship with Great Britain and ruled theoretically by a constitutional king, the Kabaka, with his own ministers and a 'parliament', the Great Lukiko. In fact the Kabaka has hitherto ruled as a feudal monarch, bound neither by the advice of his ministers nor by the sanction of his parliament. The question then arises as to the future relationship between the Great Lukiko and the Legislative Council of the Protectorate, which has been recently reformed and enlarged to give adequate representation to all communities and all parts of the country. This reform resulted in the representatives of Buganda being outnumbered by those of the other three provinces, including Europeans and Asians. Although the Kabaka originally agreed to these reforms, he subsequently retracted and insisted upon a separation of Buganda from the rest of the Protectorate. But after his deportation to Britain the Great Lukiko proposed a federal

solution for Uganda, and to this the Kabaka has now agree

Neither of these proposals can however be a solution for th problem. The first would mean ruin for the Protectorate, sinc neither Buganda nor the rest of the country could exist as separat states. The second, though theoretically a possibility, would mean i practice a costly proliferation of governments and administration which would disastrously weaken a country as small as Uganda.

These are the main problems which Sir Keith Hancock wi have to study on the spot. But Sir Andrew Cohen, the Governo of Uganda, feels strongly that in cases such as this the peopl themselves must work out their own salvation, and not be asked t accept solutions devised by Royal Commissions or other outsid bodies. At a London press conference last month he said tha neither he nor her Majesty's Government considered the Kabak sufficiently reliable to be reinstated in such a responsible positior

The long-term importance of finding a solution for these poli tical difficulties is to avoid the possibility of putting in jeopardy th industrial, political, and social developments that are now trans forming the lives of the people of Uganda and creating wit amazing speed a prosperous modern State with a diversifie economy and a promising future.

Statehood for American Dependencies?

WHATEVER may have been the impression given by the violenc perpetrated early in March in the U.S. House of Representative the great majority of Puerto Ricans are undoubtedly satisfied witl the unique relationship of this Caribbean island to the Unite States. As a commonwealth it is self-governing, yet it has th benefits of dependency. It elects its own Governor and Legislature who are entirely responsible for the internal affairs of the island it is associated with the U.S.A. by a compact which can lea to complete independence whenever Puerto Ricans choose, or t statehood if they ask it and the U.S. Congress grants it.

But independence would mean, sooner or later, an end to th subsidies from the United States on which poor and over-crowde Puerto Rico relies; it would mean also that Puerto Rican com mercial exports, mainly of sugar, would be subject to U.S regulations, and that human exports, the emigrants who pou into the United States, would no longer be American citizens bu would find their entry restricted. Statehood, on the other hand would oblige Puerto Ricans to pay the federal taxes from which the

exempt; then the island would no longer offer the tax
ges which are attracting industry from the mainland.
Puerto Ricans are not taxed by the U.S. Congress, they do
ct to their lack of representation there. But Hawaii and
he other major dependencies of the United States, do pay
income tax and have therefore been demanding full
tation in Congress—they now have only a non-voting
each—and the right to vote for a President of the United
s well as for their own Governors who under the present
d status are appointed from Washington. There are many
a, particularly those with business interests, who feel that
area is not yet sufficiently developed to carry the financial
of statehood, when services now provided by the Federal
nent would have to be paid for locally. The economic
s of Alaska will be accentuated by the coming decline in
expenditure on military installations in the Territory.
ier or not Alaska is ready for statehood, there is little doubt
sperous, well-populated Hawaii is ready. It too, unlike the
orty-eight States, is non-contiguous to the United States,
only other objection advanced in the recent Senate hear-
statehood for Hawaii was that it might be dominated by
nists; this is hardly a valid argument, even though they are
lly influential in the Hawaiian trade union movement. The
of the Southern Democrats who are the determined
ts of statehood for Hawaii concerns the liberal view on
s of Negro rights which would certainly be taken by the
itors and the one or two Representatives who would come
ress from this mid-Pacific island where racial integration
e such satisfactory progress. The Alaskan Senators and
ntatives would also probably oppose Negro segregation,
is the chief reason why statehood for both these Territories
atedly been turned down by Congress.
iere is another complication; Hawaii is expected to send
ans to Washington, Alaska Democrats. For the sake of
ig the political balance, admission of one Territory has
een regarded as depending on admission of the other. Now,
two Senators from Hawaii would give the Republicans
rity they lack, and they have been trying to separate the
stions. This attempt has so far been frustrated by the
ts in the Senate, who all agree that Republican Hawaii
t be admitted alone.

Egypt since the Coup d'Etat of 1952

WHEN the Free Officers of the Egyptian Army seized power on 23 July 1952 their leader, General Mohamed Nagib, declared that their intention was to purge the Army and the country of traitors and corrupt people and to restore constitutional life. When they forced the King to abdicate on 26 July he said that they would establish the Monarchy on a sound constitutional basis, and on 31 July he stated that 'all political affairs are in the hands of the Government and will be conducted in a constitutional manner' He was thus able to say with truth on 6 March this year that the restoration of constitutional life had been his pledge from the first day of the revolution. 'I believe,' he declared, 'that the people's participation in directing the affairs of their country is the only safeguard against every kind of oppression.'

General Nagib's first statements were made at the outset of a military regime and his last in circumstances which seem to promise the end of it. Between lie twenty months of experiment in revolutionary government and dictatorship in which the good intentions of a military oligarchy were devoid of ideological direction. Their own spokesman introduced the word 'revolutionary' to describe their movement, but this was not until 7 September 1952, when the Minister of State, Mr Fathy Radwan, described the Government as 'the High Committee of the Revolution'. Even so, the phrase did not come into use for some months more. General Nagib was still saying on 8 December 1952 that 'the country's defence and foreign policy come within the competence of the Cabinet as a whole', and the Cabinet was still largely civilian. It was not until the Minister of National Guidance, Mr Fuad Galal, made a 'constitutional announcement' of personal liberties on 10 February 1953 that the structure of dictatorship became clear and the military leaders became 'the Council of the Revolution', as they have ever since been known.

This Council was the high command of a Free Officers' Movement which for eight years had been carefully plotting inside the Army. They were a group of young men led by Lieut.-Col. Gamal Abdel Nasser who were bound together by the plot rather than by policy. No one has been able to determine their political complexion, but it is fairly clear that they were, in the aggregate, ranged in radicalism right of left-wing Labour Party theory. Other influences bore down upon them when in power, notably that of

rman advisers who inculcated the theory of the one-party
ut they were only revolutionary in their attack on the
and, to some extent, the economic power of the ruling
lass in Egypt. If anything, it was a bourgeois revolution;
out the foundation of an adequate bourgeoisie. The most
single proof of this was the choice and retention of Dr
alil el-Emary as Finance Minister, whose view of society
e described as 'progressive' but who is undoubtedly
c in his finance.

e early acts of the group were evidence of a naïve assump-
the Army could be purified by ridding it of the 'King's
d the country by removing from political life and admini-
some corrupt elements. There seemed to be no realization
complex forces in the country's political life represented
l ruling groups which were much more united in the
share power among themselves than to 'purify' the coun-
ehalf of a military group which would stultify their power.
x months this Army junta attempted by persuasion and
o secure the co-operation of the political parties in one
another. Their first idea was that the organizations would
emselves of corrupt leaders and formulate political pro-
s which would make them parties in the true sense of the
hey did not realize that this was to misunderstand their
for they were really oligarchic groups within the same
tratum of society. In the event, the parties produced, in
e to the known ideas of the junta, programmes which were
ically radical; and they refused to purge themselves.

Aly Maher, whom the Army had made Premier on the day
up d'état, was, within a fortnight, behaving as though he
rited the new Egypt, which he was planning to transform
dance with the National Front scheme he had drafted in
e was fighting on two sides: using the soldiers to oppose
arties, none of which were willing to co-operate with him,
ing the landowners to plan a modification of the agrarian
aw which was the principal project the junta had in mind.
nsultations with landowners on 26 August 1952, in con-
with a statement made three days earlier by Nahas Pasha,
f the Wafd, that 'The Wafd are the people and the people
Wafd; the last word will be with the people,' stirred the
counter-action. They not only arrested more than fifty
nt people in the early hours of 7 September and made

General Nagib Premier of a reformed and more radical civilian Cabinet, but they also rapidly passed the agrarian reform law limiting landholdings to 200 acres and another law controlling political parties. The parties, by this law, were ordered to deposit their funds in banks and submit to the Ministry of Interior lists of members and programmes for approval by a special committee. The Wafd resistance to the parties law was broken by 8 October, but the law never worked. Later there were demonstrations in the schools and a plot in the Army which convinced the junta that the politicians were still working against them; so, on 16 January 1953, they confiscated the party funds, dissolved the parties, and announced that there would be a three-year transitional period preceding the restoration of democratic life. This date, in fact, marks the point at which the junta acknowledged that they must work on their own for some time to come. On 23 January, the six-months' anniversary of the coup d'état, General Nagib announced the formation of the Liberation Rally as a popular movement enshrining the doctrine of 'unity, discipline, and work' which had become the slogan of the new regime.

Nagib and his colleagues had by this time clearly realized the difficulties they faced. With the country near the point of economic collapse there was no material benefit they could give the people, and the formerly dominant groups in the community were clearly unwilling to co-operate. Opposition to them was not silenced at once, despite the destruction of the political organizations which focused resistance. They eradicated the dynasty of Mohamed Aly and made General Nagib President in June, and in November they confiscated the wealth of all people connected with the royal family. They established Revolutionary Tribunals in September which were intended as much to pillory the old regime as to try offenders. When in January 1954 they dissolved the Moslem Brotherhood they had swept the board clean; but they had done so in response to pressures against them rather than in accordance with any preconceived theory. It is true that they had formed some idea of their direction. They believed they could in time so consolidate their position by securing practical benefits for the country that a parliamentary republic could be created on the foundation of their own leadership and the mass support of the Liberation Rally. But their empiricism had, in the meanwhile, put strains upon the regime itself which, beginning with the conflict between Nagib and Nasser for the premiership when the Monarchy was ended,

the movement to its real crisis in February this year.
ure practical benefits required steps to right the economic
one by the Wafd, and long-term plans for developing
ire and industry, both of which required immense capital
nt. Dr Emary had been helped to some extent by the
s taken by the Government of Nagib el-Hilali, but the
was still extremely difficult when he took office after the
tat. The deficit on the Budget was about £40 million and
vas down by £25 million. The real deficit on the balance
in 1951 was £38,700,000 and on the balance of payments
000. The Hilali Government had been able to do little
he rot early in 1952, when the cotton market was nearly
, but had raised the balance of convertible sterling,
most essential foreign currency, to £7 million from £5

Budget statement on 18 August 1952 Dr Emary promised
itry austerity and balanced his Budget at an estimated
llion by raising taxes and customs and excise duties on
ntial goods, and by reducing general expenses, salaries,
luments. In the following year he made further though
ght inroads on the cost of the inflated Government service
ing cost-of-living bonuses and stopping recruitment. He
ed that the Government was spending more than the
ould afford, and continuously tried to force the Budget
s back to what he regarded as a normal level.
forts to secure a balanced foreign trade, however, made
idway against the drain on sterling, which still stood at
5 million in the convertible account in mid-December
spite an emergency release by the British Government of
on on 9 October and an advance release of a further £5
hree weeks later. Britain felt bound to release the remain-
million provided for by the agreement with Egypt im-
y on the turn of the year. The import licensing system
ilali's Government had imposed, mainly on sterling goods,
was extended by Emary to all imports in October 1952,
naintained the reductions in foreign travel and holiday
es. Side by side with restriction on imports, he did his
o increase exports. He entered into trade and payments
nts with a number of countries (the most important of
owever, that with Western Germany, had been reached
1952), and where these did not exist he encouraged trade

through export accounts which had a similar effect. But his most important act was to close the Cotton Futures Market in November and peg Egyptian cotton prices to those of New York, with premiums for medium and long-staple varieties. Although the premiums were criticized as too high and were in time modified, cotton did begin to move out of the country at a slow but measured pace. In the first half of 1953 Egypt actually increased the value of her exports by £8 million, although cotton was bringing in less money than half the same quantity had done in 1952. Imports were reduced by £11 million, mainly from the sterling area. His Budget of 1952 cut the size of the loaf, in an attempt to reduce the imports of wheat which in 1951 had cost £37 million, and put a tax on sugar, of which an inordinate quantity is consumed in Egypt. By the end of 1953 he had £20 million in convertible sterling and in the early months of 1954 began to issue some licences for sterling imports, which he had been holding until he received the £10 million release from Britain which did not immediately come

From the outset there seems to have been no doubt in the minds of the Army leaders that the long-term development of Egyptian economy could only be achieved with Western capital, and that confidence must be created at home and abroad to obtain it Dr Emary estimated the need at £500 million, a sum much beyond the saving capacity of the country.

From the very early days General Nagib devoted a great part of his time to reassuring the minorities and foreign population of Egypt, which had been disturbed ever since the burning of Cairo on 26 January 1952. Long-term visas were granted to residents who had been in the country for many years, and the visa and port authorities were encouraged to be polite and reasonable. Personal confidence developed as a result of the security established in the country by the Army and the police. Student demonstrations were forbidden and, when they occurred, were limited and controlled In time, the Liberation Rally and the National Guard became organizations which channelled many young people into disciplined activities.

Only seven days after the coup d'état the Government of Aly Maher decided to amend the Company Law of 1947, although the revision did not take its final form until a new Company Law was promulgated in January 1954. The main change was to permit 51 per cent of foreign capital in Egyptian limited companies, whereas the 1947 law had stipulated that it could not exceed 49 per cent

47 law, and the Mines and Quarries Law of 1948, had
l oil prospecting in Egypt. Despite obstruction from the
of Commerce and Department of Mines, a new Mining
s approved late in 1953, and two companies, mainly
n, undertook to restart exploration, one of them taking
prospecting licences of two local companies with an over-
yalty agreement, and the other accepting a thirty-year
nt for exploring the Western Desert. Difficulties over the
ce agreement and licences prevented an overall settlement
resident companies, notably Anglo-Egyptian Oilfields
and Socony Vacuum of Egypt (the only two companies
g oil in Egypt), until Colonel Nasser personally inter-
reach a settlement in principle in February 1954. Co-
n with Western industrial civilization was clearly the
if not the achievement. It is true that trade agreements
de with Eastern European countries, including Russia;
e developments were part of Dr Emary's efforts to widen
the foreign trade of Egypt. On the political front, Com-
activities were still banned and newspapers which the
d allowed to peddle pro-Communist versions of national-
suppressed. Even pan-Arabism received only lip service,
r the Arab League meeting in January 1954 the Army
dmitted privately that they found it a useless organization.
theless, capital still proved shy of Egypt, except in the
he oil companies. One reason for this was the failure to
ettlement with Britain over the Canal Zone.[1] The military
ling the country had started with the intention to get rid
nglo-Egyptian dispute as quickly as possible, quite rightly
ng that it prevented co-operation with the West econo-
nd was a persistent cause of instability in the country. By
to self-determination for the Sudanese and dropping the
sovereignty over the Sudan, they made possible the Anglo-
Agreement on the Sudan of 12 February 1953, but the
ressed immediately after the signing, that this heralded a
of Anglo-Egyptian confidence, failed to materialize.
as surprisingly unready to enter into negotiations at once.
ment was lost; the situation in the Sudan deteriorated
s Egypt began to organize aggressive penetration; the
leaders made bitter speeches, and there were increasingly
idents in the Canal Zone. After the failure of the first

discussed in a later article in *The World Today*.

formal discussions of the Canal Zone dispute in May, inform
conversations brought an agreement within sight last Februar
where they have been temporarily halted by the crisis in Egyp

The truth appeared to be that the system of majority vote, b
which the Council of the Revolution worked, made for incon
sistency in policy. While the overall policy was maintained, i
detail it was often contradicted both by the administration and b
the leaders themselves. They never quite fully realized that the
policy in the Sudan militated against a settlement with Britain, o
that incidents in the Canal Zone could not be permitted or en
couraged without antagonizing the British Government and di
turbing the confidence they were seeking. To publicize the organ
zation of 'guerrillas' (which were understood to be organized b
ex-German officers) did not encourage business. Fierce ant
British speeches from time to time damaged confidence and le
the country uncertain about the leaders' real policy.

The administration as a whole was left in doubt concerning th
policy it was to pursue, and was, in any case, well stocked wit
opponents of the regime and malcontents. It had been 'purge
and restricted; supervision was sufficiently strong to reduce con
siderably the 'baksheeh' of the small man and the bribes of th
big. Business firms had been deprived of the services of the 'fixer
the influential adviser, who by personal contact had cut throug
the cumbersome machinery of the old régime. The attempt
smooth the way for commerce, therefore, failed. One of the ear
acts of the regime had been to pass a Labour Law which w
intended to establish an equitable relationship between capital ar
labour, but in practice the administration worked on behalf
labour and against foreign firms in particular. If on the one han
strikes were forbidden, it became impossible, on the other hand,
dismiss employees who were useless or redundant without bein
involved in litigation in Labour Courts which always seemed
make some concession to the worker. Similarly, the attempt
strengthen income tax and profits tax collection, in itself laudabl
produced many arbitrary assessments. Although it was usual
possible to reach a settlement in these cases, they created th
feeling of uncertainty, and some firms came close to pulling out
the country.

The land reform carried out in September 1952, a political a
intended to 'abolish agricultural feudalism', had a depressive effe
on trade because the big landowners suffered and benefits for th

could only come later. In any case, it could not alter the
ntal fact that Egypt has too many people on too little land.
600,000 acres were requisitioned or under threat of
on, of which 17,227 acres had been distributed in title
peasants by the end of 1953. The distribution of the title
er 100,000 acres is promised for 1954. But the distributed
eing supervised by the Higher Committee for Agrarian
and the Finance Minister is talking of paying out only the
of the capital indemnities to dispossessed landowners, so
Government will have the control of the investment.
ight reasonably say that many of these difficulties were
e, given the conditions existing when the Army seized
The rulers have achieved much. The civilian and military
s of the Government are honest, and they freed Egypt of
rruption. They have demonstrated their sincerity by
unpopular courses in the interest of their country.
some people prophesy that the economic recovery effect-
ly by Dr Emary, will be halted and perhaps set back in the
nonths, he has sufficient grip on the economy to prevent
ssion getting beyond control. The Government was, in-
the edge of success in many important respects. The oil
nts, valuable in themselves, would have encouraged the
capital, and an Anglo-Egyptian agreement on the Canal
med possible, until the recent domestic crisis put every-
ce again in doubt.
crisis developed from two factors, the growing unpopu-
the regime in a country which disliked even mild regimen-
nd the structure of the Revolution Council itself. The first
l to more obvious repression, as exemplified by the revolu-
ribunals, which intensified the opposition they silenced.
so, to divided opinions in the Council as to the long-term
r restoring a democratic Constitution. There seems to
n agreement about ultimate restoration, but divergence on
od of reaching this end: and although differences of
were eliminated by the system of majority voting, they
l the strain on the Council. It is doubtful, however,
either unpopularity or differences of opinion would have
l the crisis without the intervention of President Nagib.
resident was a late-comer to the Free Officers' Movement,
eadership had been a vital part of the actual revolt. He
that any popularity remaining to the Movement was his,

personally, and that his responsibility to the country was therefore greater than that of other members of the Council. Perhaps he also found it irksome to work with a committee of junior officers who could overrule him, as they had done on many issues. There had been some friction between him and the Council ever since the abolition of the monarchy, for he had resisted the promotion of Colonel Gamal Abdel Nasser to the premiership. In the past few months his resistance to the Council had increased, and in February he demanded a presidential veto over Council decisions. His demands were presented just before he was due to leave for the Sudan for what was expected to be a personal triumph. The Council, unwilling to see him reinforce his demands with a demonstration of popularity in the Sudan, decided to refuse them and accept his resignation.

The country was sullen about the decision but did not express open opposition to the regime until after his return to the presidency on 27 February. His reinstatement was apparently forced by the protest of a section of the cavalry corps on the night of 26 February, but there is no evidence to suggest that this revolt was big enough to force the Council's hand. It seems that a combination of circumstances produced the decision. The National Unionist Party in the Sudan energetically protested that they would find it difficult to maintain a pro-Egyptian policy if Nagib were dismissed, and in Syria some army units had revolted against President Shishekli; but, quite apart from that, Colonel Nasser himself regretted the original decision to accept the resignation

Members of the Council now believe that they should either have compromised with Nagib at the outset or refused to reinstate him. The effect of reinstatement has been to throw the regime into the melting pot. President Nagib, who, like Colonel Nasser, believes that the regime must eventually transform itself into some sort of constitutional and democratic rule, now hastened the process by describing himself on reinstatement as President of a parliamentary republic. A plan was quickly evolved, and accepted by the Council, for appointing a Constituent Assembly to sit on 23 July to approve a new Constitution and arrange elections. President Nagib resumed the premiership and the chairmanship of the Council of the Revolution, which will continue to function until a Parliament is elected. Superficially, the position is as it was before the crisis, except for the promise of an earlier restoration of a democratic Constitution; but President Nagib's position is strength-

ened by the knowledge that he inflicted a defeat on the Revolution Council. For the time being, and whether he likes it or not, he has the backing of all the opponents of the regime who are only too anxious that he should lead the country rapidly back to a parliamentary Constitution.

It is difficult, in these circumstances, to believe that the military regime is not broken. The members of the Council propose to turn civilian and contest elections; General Nagib undoubtedly intends to stand for election as President; but the power of the Council and the influence of Nagib rest upon the power of the Army and, even assuming that they can achieve their political ambitions, they would not be free from the enmity and opposition of the civilians whom they have ruled by force. The country believes, possibly prematurely, that the old regime is coming back in one form or another.

T. R. L.

Austria and the Berlin Conference

It would be idle to pretend that Austria pinned any great faith on the ability of the Western Foreign Ministers to overcome Russia's reluctance to sign a treaty. 'We Austrians have been too often disappointed to rely on the Berlin Conference,' said Chancellor Raab, and though he confessed to 'a mood of subdued optimism', his refutation of the Soviet press campaign on the dangers of a new *Anschluss* shows that he had gauged Russia's intentions accurately. The Soviet press had for some years been assiduously reporting incidents and speeches that suggested renewed attempts at Austrian-German union, and this campaign increased in volume and improbability as the date of the conference drew near, so that the conclusion was inevitable that the *Anschluss* bogy was going to replace some of the former pretexts for Russia's refusal to sign the treaty—the Trieste issue, the 'unpaid dried-pea debts' (the demand for payment of the dried peas supplied out of the Soviet Army's booty to feed the starving Austrians in 1945), and the alleged 'rearmament' of Austria.

However, recent Soviet Notes had been couched in fairly con-

ciliatory terms, and the mere fact that the Russians ha
Austria in their three-point agenda, and had agreed to th
of Austrian representatives at the conference, gave rise
speculations as to whether they were perhaps going t
bluff' of the Americans and agree to a treaty. But Mr
first statement on Austria at the conference, on 12
showed quite plainly that nothing was further from his
with his acceptance of the draft treaty he coupled s
clauses which were quite unacceptable to both Austria an

It will be recalled that by the end of 1949 the depu
four Foreign Ministers had virtually completed a draft t
five articles out of 59, and those not of major importanc
ing not wholly agreed upon. In order to achieve a sett
Western Ministers at Berlin offered to accept the Soviet
the disputed articles, but following the pattern of pre
ferences Mr Molotov introduced yet another complica
'additional articles' he proposed. These included: (1) th
to prevent attempts at a new *Anschluss*, the withdra
forces of the four Powers stationed on the territory of the
zones of Austria should be postponed (except for Vien
peace treaty with Germany should be concluded. A
forces should be withdrawn from Vienna simultaneousl
abolition of the Allied Commission. (2) The Foreign
deputies should be instructed to examine the question of
(which) should not be used as a military base.[1]

Quite apart from the fact that by tying the Austria
two extraneous issues, those of Germany and of T
Russians would have the means of postponing it indefi
continued presence of a Soviet army surrounding
deprived of Western troops would create the condit
repetition of the attempted Communist *coup* of Octobe
for Austria's following the road of Czechoslovakia. As on
paper put it: 'Austria would be forbidden to allow the
ment of foreign military bases—but Russian barracks
ments, and airports would be allowed to remain. In t
Germany Mr Molotov sought the withdrawal of All
before concluding a treaty—for Austria his demand
reverse. But then in Eastern Germany there is a fully t
armed satellite army—the Volkspolizei. There is none in

[1] See *Soviet News*, 15 February 1954.
[2] *Arbeiter Zeitung*, 14 February 1954.

Two other points are worth noting among these 'additional articles': one, that Austria should 'pledge herself not to enter into any coalition or military alliance' directed against an Allied Power, and should also undertake not to permit the establishment on her territory of foreign military bases—the famous 'neutralization' clause referred to in the above quotation; and the other a small concession to Austria, allowing her to 'cover by deliveries of goods (instead of in currency) the sums owed to the Soviet Union for former German assets', a debt amounting to $150 million which Austria and the Western world think far too high but which Russia has persistently refused to reduce.

While the Austrian delegation accepted their country's 'neutralization', they formally refused their signature to a treaty which did not lay down a definite date for the departure of the occupation forces; Mr Molotov's modification of his earlier proposal, which amounted to no more than a promise to reconsider the question in 1955, they rejected. Mr Molotov in turn rejected their suggestions that the occupation troops should stay on until 30 June 1955 only, and that the four Powers' Ambassadors in Vienna should watch over the implementation of the treaty, especially as to the *Anschluss*.

Thus the Berlin Conference once more shelved the fulfilment of the promise, given in 1943, of liberation and full independence for Austria, and it is significant that Mr Molotov, in order to offset the bad impression that the Soviet attitude had created, should have found it necessary, in his concluding speech, to hold out hopes of an early agreement. 'The question of the Austrian State treaty[1] could have been settled right here, at this Berlin Conference,' he said. 'The obstacle to it at this stage has lain in the plans already mentioned, which aggravate the danger of a revival of German militarism. This notwithstanding, the Soviet Government expresses the conviction that there is the possibility of settling this problem in the very near future. The Government of Austria must take this into account and it must be correctly understood by the Austrian people.'[2]

The joint statement issued on 19 February by the three Western ministers, however, put the responsibility squarely where it belongs. The section concerning Austria ran:

[1] *Staatsvertrag* is the term always used to denote the treaty with Austria, to avoid the term 'peace treaty', regarded as inaccurate in this connection.
[2] *Soviet News*, 22 February 1954.

The three Western Ministers did their utmost to secur
upon the Austrian State treaty. They accepted the Soviet v
the remaining disagreed articles. The Austrian Foreign M
was present at all the discussions on this question, decla
ready to sign the treaty in this form.
The Soviet Foreign Minister, however, insisted upon
provisions to the treaty. The effect of these would have b
foreign troops in Austria for an indefinite period after th
force of the treaty, and to impair Austria's right to play l
in international life.

Or, as Mr Dulles put it more bluntly: '(The Soviet
pointed out . . . that the Austrians, if left alone, migh
by their solemn engagement to maintain their indeper
to avoid absorption by Germany. The Western Pow
that no one can know with certainty the use to whicl
nations put their freedom. . . Nevertheless, we are con
no social system has ever been invented which is bette
which puts its trust in human freedom. . . The Soviet
in multiple ways, has made manifest its fear of freed
determination . . . to try to make certain that freedom
exercised in a way which might be prejudicial to it. Tha
seems, the Soviet Foreign Minister . . . has insisted
troops must remain indefinitely in Austria.'[1]

International press comments have further underlin
that as the Russians must know how hollow their tall
Anschluss is, their determination to hang on in Austria
deeper causes. Is it that they want to retain at all
communications troops in Hungary and Rumania wh
have to be withdrawn with the end of the occupation
this determination indicate fear of another 17 June upr
Eastern Germany, or does it mean that the military a
mand in Moscow? Is the economic exploitation of Aus
the sacrifice in propaganda results, or do the Russians
that Austria can be turned from a Soviet captive into

It would seem, in fact, that the embarrassment in
camp is acute. In addition to broadcasts and very f
in the Cominform Journal, *Pravda* has on several
(17, 20, 22 February) given its version of the Austri
which the Communist and fellow-travelling press a
taken up. The real culprit, it appears, was Mr Dull
Molotov was generosity and magnanimity personified:

[1] U.S. Information Service, Daily Wireless Bulletin, 19 Feb

treaty could have been signed 'literally within a few days if the representatives of the Western Powers had not linked up the Austrian question with certain calculations which have nothing in common with the interests of peace and security or with the national interests of the Austrian people.'[1]

In short, we are back where we started. The three Western Powers have withdrawn their agreement on the five disputed articles, but, as their joint statement of 19 February made clear, they 'remain ready to take advantage of any further opportunity which may arise to promote, by renewal of the contacts established at Berlin or by other means, solutions of the German and Austrian problems'. The Austrians are disappointed and angry, and it can be expected that they will badger and harry the Allied Council to wrest from the four Powers the maximum degree of sovereignty and freedom of action. They will be strengthened in this resolve by the knowledge that three of their four 'victims' sympathize with them in their demand for 'liberation from their liberators', and they may hope that Russia can be shamed into adopting a more liberal occupation policy.

LIBERATORS INTO OCCUPIERS

The first genuine alleviations granted by the Soviets were noted in these pages in July of last year.[2] They started with the separation of civilian affairs from the military command and the appointment of the High Commissioner to be the Russian Ambassador, and the most important single decision was to abolish all major controls on the movement of people and goods across Soviet zonal boundaries—both measures which the Western Powers had already taken long before. Other concessions, too, were of the kind that had long been granted to the inhabitants of Western Austria, or had only been held up by the Russian veto in the Allied Council. Since last summer, however, as if in part-compensation for her continued unwillingness to agree to a State treaty, Russia has been 'liberalizing' her occupation regime still further—and in doing so has even forced the hands of one or the other Western Power which had still insisted on certain prerogatives.

In a session of the Austrian Parliament on 18 June 1953, convened to define the Government's attitude to the first set of concessions, Chancellor Raab listed the country's most serious com-

[1] *Soviet News*, 24 February 1954.
[2] See 'Austria after the Elections', in *The World Today*, July 1953.

plaints against the occupying Powers,[1] and it is interesti
which of them were subsequently remedied. He first
the end of foreign occupation and denounced the cont
foreign military courts in Austria which could arrest an
Austrian citizens without publishing an indictment o
Austrian defence counsel, and then deport prisoners
sentences abroad. (This latter course is a speciality of the
who do not even bother to inform relatives and do r
prisoners to write letters home until possibly years lat
first ten months of last year the Russians arrested 1
Austrians, of whom they released eight; the three Weste
together arrested fourteen, of whom six were sentence
serving their terms in Austrian gaols, enjoying the same
as civilian prisoners. No alleviation has been grante
matter by any of the Powers, since they claim that they n
the means to safeguard their military installations and p

Next in Herr Raab's list of grievances came the censor
mails, telegrams, and telephones—long abolished in th
zones, but retained in Vienna by the Four so as not to
censorship exclusively in the hands of the Russians,
unwilling to relinquish it. Here the great concession
12 August for the Soviet zone, to be followed two day
Council agreement on the abolition of the inter-allied c
this meant the dismissal of 640 censors whose salaries
paid by the Austrian Government and who had been r
for this most unpopular of all the Allied impositio
was especially significant about this step was that w
previous Soviet concessions concerned the modification
annoyances, here for the first time the Russians renounc
conferred on them by the Occupation Statute.

In the matter of Austrian broadcasting, Herr Raab
the Government was addressing itself to three of the Alli
system prevailing in the Western zones was no more
than the settlement in Vienna. Only the French had ha
the stations in their zone to Austrian management,
British ran the *Alpenland* and the Americans the *Rot-*
networks in their respective zones. In Vienna, though
was supposedly an Austrian corporation, the Russians
their strict censorship on news and talks and in addition i
a 'Russian Hour' being broadcast several times daily on e

[1] See *Wiener Zeitung*, 19 June 1953.

two transmitters. (In October, for instance, on Ravag I this amounted to 975 minutes broadcasting time per week, and to 220 minutes on Ravag II). Not only had the Austrian Government no say in these programmes, it could not even prevent them from containing unbridled abuse of its members or its policy, or of the Western Powers. Suddenly, on 10 November, the end of the Russian censorship was announced, and the withdrawal of the 'Russian Hour' from Ravag II began five days later. On 22 January 1954 the British authorities handed *Alpenland* back to the Austrians insisting only on the continuance of programme exchanges with the B.B.C. for as long as the other Powers continued to enjoy such facilities. This forced the hands of the Americans. On 4 March they announced the transfer of the Linz and Salzburg transmitters, which they had re-equipped, to Austrian management, asking for only thirty minutes a day on each station for the 'Voice of America'—a reasonable request, in view of the daily four hours of the 'Russian Hour' on Ravag I.

There is yet another field in which Russian censorship is still applied, and that is in the matter of films. In the Russian zone and in their sector in Vienna, out of a total of about 400 cinemas, at least one hundred have virtually the whole of their programme dictated to them by the Russians: by the Russian censorship which tells them what not to show, and the *Sovexportfilm* and its Austrian partner, the *USIA-Universal*, which will distribute films of Western origin only if a corresponding number of Russian, East German, and similar films is shown. To ensure the showing of Russian films outside the Soviet zone, the 'import' of English and French films is made dependent on the 'export' of a similar number of Russian films to Western Austria. American films are not as a rule submitted to the Russian censorship by the distributors, but a cinema owner in the Russian zone can get one—through the *Universal*!—if he takes a number of Communist propaganda films; with the American film he is sure to fill his house to capacity and recoup himself for his losses on the products of 'Socialist Realism'. Altogether, one is driven to the conclusion that the Russian censorship of films is not primarily a political but a commercial affair, on a level with the rest of U.S.I.A. (the Soviet organization controlling industry and trade in Austria).

The problem of Russian-operated enterprises came next on Chancellor Raab's list, when he remarked that it was surely one of the attributes of sovereignty that a State could enforce the

observation of its economic laws, and in particular he
the U.S.I.A. retail shops, the profits from which 'cou
matter to so rich and powerful a country as Russia'. I
very conciliatory statement lies a sentiment of unive
over the way in which the Russians first decided arbit
were 'German assets', then took over some 300 of then
ever since exploited the natural resources, whether th
ores, or good arable land, and neglected the maintenan
ings and machinery. Today the sale value of the assets i
by Austrian authorities to be no higher than $36–$
against the $150 million offered in 1948 as a reasonabl
price.

Apart from the way in which most, though not a
enterprises have been allowed to run down, other
concern the fluctuations in the labour force they empl
treatment meted out to non-Communist employees
cavalier attitude adopted towards the State and the mu
the social insurance institutions, and the inland reven
ties. By the end of last year, for instance, various U.S
in Vienna owed the municipality 8 million Austrian sc
gas and electricity, and over 20 million Austrian schilli
and levies, a total of nearly £500,000. Much larger sum
for wages tax, national insurance, and the like, thoug
tributions are deducted from the men's wages. But t
damage is done by the illicit import, under the aegis of
army, of East European goods on which no duty is paid
are sold, partly to U.S.I.A. employees, and partly
U.S I.A. retail shops—the latest enterprise of the rep
of the great Soviet Union, dingy and untidy place
appearance of cut-price salesrooms, where Polish s
draped over East German bicycles and where Czech
flows into Hungarian paprika or Bulgarian gherkins.
weeks another dodge is discovered by the Austrian
whereby goods which have not paid Customs duty are
to the public with the aid of speculators and unprincip
ants. Attempts to stop these practices—such as stamp
Austrian sugar to distinguish it from the Soviet-impo
sugar which costs the State about £500,000 per annu
loss of duty—merely lead to another ingenious device.

On another issue, however, the Russians have sho
consideration, and have even forced the hand of their

ench fellow-occupiers. Raab's request that the remaining three wers should pay the cost of their own troops (the Americans ving done this since 1947) was followed within a few weeks by e announcement that as from 1 August 1953 the Soviet Union ould no longer collect its share. As these costs had lately amount- to about £2 million for each Power, this was a considerable ncession, and shortly afterwards Britain and France declared at they would renounce their claims as from 1 January 1954. In ct, they went further than this, and as if in response to the ancellor's rhetorical question asking 'where it was written that cupation troops had to remain in Austria until a State treaty was gned', they also decided to reduce their forces in Austria, Britain tting her strength from three battalions to one, leaving only one mpany in Vienna and concentrating the rest in one Styrian and ie Carinthian town. This, like a similar reduction undertaken by e French, makes available additional accommodation of which e Austrians are greatly in need. (At the end of last year the four wers still held nearly 3,000 flats and over 800 other premises in enna alone, 75 per cent of which were in Russian hands. As the tal number of new flats last year was about 15,000 the departure the occupying forces would be welcome for this reason alone.) Nevertheless, even without this concession, the British occupa- on imposed the least hardship on Austria, for British troops were timated to be only one quarter of the number kept by the United ates, half that of France, and one-eighth that of the Soviet nion. Whether the Russians have ever reduced the number of eir troops is problematical; convoys that were seen leaving ilitary centres outside Vienna in September may never have ossed the State frontiers, for though houses, schools, and other ildings were handed back to the Austrians in some places, new mands for additional accommodation were made in others. They one of the Powers never built any houses on their own account, hereas the recent reduction in numbers makes some British and ench-built accommodation available to local authorities. The nericans not only pay for all services rendered but build for eir own requirements. They spent over $30 million in Austria the last fiscal year, employing directly and indirectly about ,000 persons, 10,000 of them in the building trades alone.

The relative generosity of the Western Powers does not, how- er, protect them from criticism; questions have been raised in rliament about the recruitment of youngsters to the French

Foreign Legion (a total of 300 cases have become known
1945), the questioning of prisoners-of-war, released from
last summer, by the American intelligence service, and the
Above all, the occupation is hated because it draws into its r
weak, the unprincipled, and the adventurous to serve the v
espionage and counter-espionage agencies of the occu
Powers, and it has come as a shock to public opinion to lear
in addition to some 900 prisoners-of-war the Russians stil
940 civilian prisoners, including eighty-one women, in the
Union. It cannot even be said that 'it served them right',
good many the details of whose cases are known fell foul
Russians in the execution of their duty as civil servants or e
representatives of the people, or else were sentenced, often
boys of fifteen or sixteen, for the possession of an old g
ammunition. Hence it is probably true to say that of a
Molotov's proposals at Berlin, the continuance of the occu
was the most bitterly resented. But if the Allied Forces go, A
will need to look to her own defences; and while State Sec
Graf, of the People's Party, thinks the Allies should p
Austria to form an army soon, the Socialist Vice-Char
Schärf spoke in London of a small armed force for frontier d
to supplement her well-armed and highly mobile police in ca
four Powers agreed to sign the State treaty. It remains to b
whether the reduction in occupation forces will lead to thi
gestion being repeated in the near future.

K. R

The Pattern of Canadian Politics

CANADA is considered, and rightly so, an example of demo
parliamentary principles working at their best; yet the p
contains the extraordinary paradox that one party and one
(until his retirement in 1948) have dominated the political
almost without interruption since 1921. The normal swing
political pendulum was then arrested, and apart from Ju
September 1926, and the life-time of one parliament from 19
the Liberal Party has been in control of the destinies of C

er since. Mr McKenzie King, who took office as Prime Minister that time, retained the leadership of the Liberals until his retire-ent in 1948, by which date he had held office as Prime Minister nger than any statesman in the English-speaking world, breaking en Walpole's record of 7,619 days in office. A cursory reading of facts might make one think that Canada has been controlled by dictatorship; yet dictatorship is the last word to apply to the nadian political scene.

Even as far back as 1867 when four provinces were united to m the Confederation of Canada, it was foreseen and hoped that nation would eventually extend from coast to coast, pole to rder, and it was realized that to control such vast distances uld present insuperable difficulties for any form of centralized rliament. The federal system of government was therefore opted. Ottawa is the seat of the federal structure, consisting of a vernor-General appointed by the Queen; an upper House, the nate, of ninety-six members appointed for life; and a House of mmons with representation based on population.

As in all other fields, Canada's growth politically shows the pact of two pressures which are always bearing in upon her and ich have conditioned her development to nationhood: the luences of Britain and the United States. From Britain Canada k over her parliamentary system, with the Governor-General resenting the Queen, standing above and outside politics; with executive head, the Prime Minister, having a seat in, and being ponsible to, the House of Commons; with a Cabinet drawn m the ranks of the political party holding office and subscribing the principle of collective Cabinet responsibility—a system ite unlike the American principle of government by division of wer between executive, legislature, and judiciary.

But from the United States came the adaptation of politics to federal system of government. Canada, like her southern ghbour, is a widespread domain, having within its borders ple of different economic interests, religious outlook, ethnic ups, and social customs. The fisherman of Nova Scotia has le in common with the industrial worker of Ontario; the French nadian peasant is not akin to the farmer of the Prairies or the nberman of British Columbia. For any federal political party to ain votes from such a heterogeneous and far-flung community, nust accept the fact that the national party has to be a working lition between regional groups, with a party programme so

loosely and generally worded that it offends no one. For a
gramme to be successful, in fact, it must be based on the
matic approach, and must in effect be a compromise. This is
the essence of the pattern of Canadian politics. It has been
tively put into practice by the Liberal Party—and appa
by it alone—and largely explains why that party has succ
with but one major break in holding political power since

THE ECONOMIC AREAS AND THE PARTIES

Sectional interests in Canada form a criss-cross pattern. '
are four economic regions—the Maritime Provinces (Nova S
New Brunswick, and Prince Edward Island) with fishing an
farming as their predominant interest; Ontario and Quebe
most highly industrialized area with the greatest concentrat
urban population; the Prairie Provinces (Manitoba, Saskatch
and Alberta), primarily a wheat-growing area, although n
and natural gas are coming to the fore; and British Colum
the west coast, with the Pacific Ocean on one side and the
Mountains separating it from the Prairies on the other, w
peculiarly Pacific outlook and Oriental problem unknown
rest of Canada, with lumber, fishing, mining, and fruit fa
among its main industries. But the pattern is not as clear-
that. The two richest and most highly industrialized prov
Ontario and Quebec, are divided on the score of race and rel
The views of French-speaking Canadians, who are mostly R
Catholics and strongly wedded to their own French cultur
their own Quebec soil, by no means always coincide with the
of the English-speaking Canadians of Ontario, strongly Prote
of predominantly British stock, with a 'true-blue' loyal
British connections. Again, the West, including British Colu
is far more dissident in the matter of politics than the more s
and earlier settled, Eastern regions; and even here, Albert
Saskatchewan show a greater tendency towards snatchi
Utopia via some new political creed than do British Columb
Manitoba, for the new settlers from Central Europe in the
part of the century were, as Professor Mansergh phrases it,
disposed to accept uncritically the traditional loyalties of
English- or French-speaking Canadians.'[1]

There are four political parties in Canada: Liberals and

[1] *Survey of British Commonwealth Affairs: Problems of External Policy,*
by Nicholas Mansergh (O.U.P. for R.I.I.A., 1952), p. 98.

servatives, the two traditional parties, and two newcomers of lesser importance, Social Credit and the C.C.F. (Co-operative Commonwealth Federation), both of which came into being in the 1930s as a protest against the depressed economic conditions of the period and the handling of the situation by the older political parties. Federally speaking there have been four eras since Confederation: the sway of the Conservatives under Sir John A. Macdonald from 1867 until the closing years of the century; the succeeding Liberal era which came to grief with the defeat of Sir Wilfred Laurier in 1911 on the prickly point of reciprocity with the United States; a third era largely dominated by the Conservatives—this tapered into a national war Government which, under the Conservative leader Sir Robert Borden, introduced conscription in 1917, a measure bitterly opposed by Quebec and from which the Conservatives have never recovered the allegiance of this all-important province; and finally the period from 1921 until the present time (with the exception of 1930–5) of Liberal rule.

LIBERALS AND CONSERVATIVES

Not only the parliamentary institutions and customs but the very names of the political parties have been carried over from Britain; but these parties have had to adapt themselves to the American conception of what a national political party must be. It follows therefore that one finds no great ideological difference between the Conservative and Liberal Parties in Canada. Both have loosely worded generalities as their party programmes, the Liberals being regarded as the party of reform, of low tariffs, of Canadian sovereignty; while the Conservatives are thought of as the party of Imperial connections, leaning slightly more to the *status quo* than to reform, of protection in regard to tariffs, and supported by the big industrial interests of the East. Even this original distinction is fading. Tariff is no longer a burning political topic. In the early days infant Canadian industry was interested in protection against American industry, but developments have placed it on a more equal footing, and as Canada lives by export, all sections are interested in obtaining the widest possible world market rather than in any question of tariffs. Canadian sovereignty has been achieved, and the question of loyalty to Imperial connections versus the cry of colonial status has withered; and the amount of reform advocated by each party springs largely from the pragmatic approach, adapting itself to shifts in public opinion and to

the prescience of each party in assessing the shift.
1940s the Conservatives, in their attempt to wrest pow
Liberals, even tried to emulate Roosevelt's New Deal
the Liberals as the party of reform.

It is a truism of Canadian politics that no party can g
power unless it has a foothold among all groups, and
in Ontario and Quebec. The decline of the Conservati
be traced to the conscription issue of 1917. The bitte
evoked at that time have not faded with succeeding ye
Conservatives having once lost, apparently irretri
allegiance of Quebec have found it well-nigh impossib
the necessary over-all majority through reliance sole
sections. Another thorn has pricked and bled them.
farmers had regarded with favour the Laurier plan for
with the United States, their concern being with chea
rather than with the protection of Canada's infant in
defeat of reciprocity (regardless of the patriotic groun
it was defeated) tarred the Conservatives even more firn
brush of Eastern industrial interests, and their influe
prairie farmers steadily declined after 1911. With their
two of the main sections undermined or lost, they faile
ground. A weakened and at times dispirited party, p
succession of leaders, attempted decade after decade to
from the wilderness, but it succeeded for the life-time
liament only, in 1930–5, a period of world depressio
government could hope to survive without stigma.

The Liberals, on the other hand, have gone from
strength, politically speaking, since 1921 when Mr
King took over the reins of the party. Described by
Hutchison in his book *The Incredible Canadian* as rut
pursuit and use of power (though for noble ends), p
always scrupulous, respected but not particularly we
Canadians, he had a touch of political genius. His flair
the shifts in public opinion, his skill and patience in
ground from beneath the feet of any third party, his abil
promise, to keep both French- and English-speaking
as a team, however uneasy, was incomparable. Th
flexibility of approach necessitated his keeping in his ow
threads of political power. Extra-parliamentary politica
tions were kept dormant between elections. Nation
party conferences where the rank and file might be

evolve policy and expect their leaders to adhere to it were not encouraged—in fact, no national convention was held by the Liberal Party between 1919 and 1948. In all these ways Mr McKenzie King, and under his guidance the Liberal Party, steered a course unfettered by the chains of the doctrinaire, able to shift with every electoral wind, never satisfying everyone, but always satisfying some voters in every group, the one truly national, middle-of-the-road party which reached its goal of governmental power election after election—an unbroken chain of successes since 1935.

Mr St Laurent, who succeeded Mr McKenzie King in 1948, is not only a French Canadian who can feel assured of the loyal support of Quebec, but is a man whose integrity of character, wide vision, and international outlook endear him equally to English-speaking Canadians, and in both the 1949 and the 1953 general elections he found his support fully as great as that accorded to Mr McKenzie King. In fact, in the 1945 election the Liberals secured 41 per cent of the total vote; in 1949, 50 per cent; and in 1953, 48 per cent. The following table shows clearly the dominant position of the Liberal Party in elections between 1935 and 1949.

CANADIAN FEDERAL ELECTIONS, 1935–49[1]

	1935		1940		1945		1949	
	Seats	*% of total votes*	*Seats*	*% of total votes*	*Seats*	*% of total votes*	*Seats*	*% of total votes*
Liberals	176	46·5	181	54·8	125	41·4	194	50·0
Progressive Conservatives	39	29·8	39	30·7	66	27·7	41	29·8
C.C.F.	7	8·7	8	8·5	28	15·7	13	13·4
Others (including Social Credit)	23	14 9	17	6·0	26	15·2	14	6·8

In 1935 the Liberals were in power in every provincial legislature except Alberta, and the party gained an overwhelming majority in the House of Commons in the federal election of that year. In 1945 they were in power in three provinces only, New Brunswick, Nova Scotia, and Prince Edward Island. British Columbia and Manitoba were ruled by Coalition Governments (Liberals and Conservatives); in Saskatchewan the C.C.F. were in power; in Alberta, Social Credit; in Ontario, the Progressive Conservatives; and in Quebec the Union Nationale Party. Yet despite this provincial patchwork of parties, in 1945 the Liberals again obtained a large majority in the federal elections.

[1] See 'The Role of the Liberal Party in Recent Canadian Politics', by Herbert F. Quinn, in *Political Science Quarterly*, September 1953, p. 396.

PROVINCIAL ELECTIONS

Set against this picture of federal elections with its stable over-all majority for the Liberals stands the patchwork pattern of the provincial elections.

The Maritime Provinces, with their predominantly British extraction, still cling to the older parties, the Liberals and Conservatives, with the Liberals considerably the more successful.

Quebec, in provincial elections, remained faithful to the Liberals under M. Taschereau and his successor, M. Godbout, until 1936, when M. Duplessis' new party, the Union Nationale, campaigning on a programme of provincial rights, gained power. In 1939, however, M. Duplessis and his Union Nationale Party, campaigning on the issue of no entry into the war, were heavily defeated by the Liberals under M. Godbout, who supported Canada's entry into the war, though remaining adamantly opposed to conscription But in 1944 M. Duplessis and his provincial party Union Nationale came back into power and have formed the Government in every subsequent election. The federal counterpart of the Union Nationale, with its heavy emphasis on provincial rights and French nationalism, is the Bloc Populaire. Yet French-speaking Canada neatly solves the problem of minority party representation in Ottawa, entailing no seat in the Cabinet and consequently no participation in the evolving of federal policy, by willingly returning the Union Nationale provincially, but forsaking the Bloc Populaire federally and giving support to the Liberals for Ottawa

Ontario, traditionally considered the stronghold of the Conservatives, has nevertheless seen many fluctuations in that party's fortunes. Except for a brief period of Farmer-Labour Administration in 1919–23, the provincial Government was Conservative from 1904 to 1934. In that year the Liberals came to power with a large majority, and again in 1938 they formed the Government In 1943 the Liberals (owing to the dislike of the people of Ontario for Mr McKenzie King's tardiness in implementing conscription) were disastrously defeated. In 1945 and 1948 the Conservatives again won, but in 1949 the Liberals regained power from the Conservatives, who, however, reversed the decision in 1951.

THE PRAIRIE PROVINCES AND THE REVOLTS OF THE 'TWENTIES AND 'THIRTIES

It is in the West that radicalism has taken the strongest hold The livelihood of prairie farmers is derived chiefly from a one-

crop economy, wheat. By 1921 their troubles were acute: low prices for wheat, high prices for farm implements, almost every farm mortgaged at high interest rates, with Alberta in particular paying a higher percentage of gross income in interest and mortgage charges, which has made that province peculiarly prone to the blandishments of monetary reform. The railroads, the big business interests of the East, the banks, the mortgage houses, and the two political parties were blamed by the farmers for their plight. Henry Wise Wood, a Missouri-born farmer who had emigrated to Alberta early in the century, aroused the farmers of the prairies to organize as an economic and political *bloc*. In Saskatchewan had settled many socialists from Britain and the United States, accustomed to the idea of co-operatives, and they, too, leaned to co-operative farmers' associations. With such a background, and in a territory where scattered farms and settlements had need of each other's co-operation, it was natural that farmers should band together to protect their interests. At first these farmers' co-operative associations tried to bring pressure to bear on the established political parties. As far back as 1911 the defeat of reciprocity with the United States, which the farmers whole-heartedly desired, had bitterly disappointed them. It heightened their dislike of the Conservatives, whom they viewed as the protectionist party wedded to the interests of the industrial East, and lessened their trust in the Liberals, who they felt were also tarred with the same brush. In 1917, when the promise of the Union Government (Liberals and Conservatives) of no conscription of farm workers was revoked, their distrust of both older political parties deepened. They abandoned their role of a pressure group working through the older parties, and instead formed their own political party, the Progressives. This new party achieved considerable success in the Prairie Provinces (with support from the farmers of Ontario) around 1921; but by 1926 the Progressives were dissolved as a federal party, Mr McKenzie King having skilfully incorporated into his Liberal platform many of the reforms desired by the farmers and having enticed back to his fold many of the leading Progressive personalities.

With the world economic depression of the 1930s a new revolt arose, this time taking a different form in each province. British Columbia and Manitoba, albeit in political ferment, still retained the older parties, although Manitoba showed a preference for the provincial Progressive Party (castigated as 'Liberals in a hurry').

Alberta, with its constant, gnawing concern with the i
interest and other monetary charges, turned suddenly an
heartedly to a new faith, Social Credit; while Saska
where there was a greater percentage of immigrants wit
union, co-operative, and socialist background, gradually
socialism as personified by the Co-operative Comm
Federation.

SOCIAL CREDIT

The Social Credit Party is associated entirely with the
of Alberta. The uninterrupted Liberal rule of Alberta
inception as a province in 1905 came to an abrupt and
end in 1921 when the newly formed United Farmers o
(the provincial counterpart of the Progressives) gained m
the Legislature. They held office uninterruptedly until t
were swept into the limbo in 1935 and replaced by yet anc
party, the Social Credit Party of Mr William Aberhart.

The dire poverty and distress brought about by the d
of the early 1930s inspired Mr Aberhart, Head of the
Prophetic Bible Institute, who by chance had read a tr
Major Douglas on Social Credit, to combine a fervent
evangelism with unorthodox monetary theories (his ov
pretation of Major Douglas's theories). His Sunday radio
tions gave rise to countless discussion groups formed th
the province to discuss and spread his theories, and it v
short step to the formation of a political party which s
province in the 1935 election, due partly to religious fer
partly to Mr Aberhart's election promise of $25 per m
citizen. On taking office Mr Aberhart did indeed find a so
a bankrupt provincial treasury, a world depression, low ag
prices, with drought aggravating the dire financial positi
farming population; and his first steps towards pu
province on its financial feet were orthodox. He did,
default on three major bond issues (the first Canadian
ever to do so), and cut by 50 per cent the interest rates
vincial bonds and debentures. This step, highly unpopula
Alberta, helped Mr Aberhart to make some progress
balancing the provincial Budget, but by July 1936 his foll
came so clamorous in their insistence that a start must be
implementing social credit monetary doctrines that Mr
acquiesced. A 'prosperity dollar', a new form of credit, w

by the provincial Government, but abandoned by the spring of 1937. A register was prepared of those in the province wishing to receive the $25 promised two years before, and three laws were enacted, the first two giving legal weight to the unorthodox monetary theories held by Social Crediters, the third in effect controlling the press in regard to these theories.

As these legislative proposals were a direct challenge to the Federal Government (for Article 91 of the British North America Act includes 'Banking, incorporation of banks, and the issue of paper money' among the subjects falling under the 'exclusive legislative authority of the Parliament of Canada'), Mr McKenzie King disallowed the provincial legislation on these bills, and referred the matter to the Supreme Court of Canada to determine whether the Alberta Legislature possessed the necessary authority. On 5 March 1938 the Supreme Court upheld the position of the Federal Government. The acts were declared *ultra vires*, and the Court upheld the Federal Government's power of disallowance of provincial legislation. Mr Aberhart then took the Supreme Court decision to the Privy Council, which, however, dismissed the appeal, thus confirming that Alberta social credit legislation was *ultra vires*. The 'funny money' or unorthodox monetary theories of the party could never be implemented.

The emergence from the world depression of the 1930s, the prosperity which war brought to the farms, and, above all, the finding of oil and natural gas within the borders of the province have resulted in the replenishment of the provincial coffers. Under the guidance of Mr E. C. Manning, who succeeded Mr Aberhart in 1943, Alberta has been given a stable, wisely-conducted business administration, advancing steadily on the path of social welfare, better roads, schools, and hospitals, and freedom for each individual to make the most of his opportunities. A few brief words at the end of each Budget speech still pay dutiful homage to Social Credit theories for the doctrinally faithful, but in practice the Budget never deviates from the principle that it is unwise to let expenditure outrun revenue.

A federal Social Credit party is in existence, led by Mr Solon Low, but it derives its support solely from the province of Alberta.

CO-OPERATIVE COMMONWEALTH FEDERATION (C.C.F.)

The C.C.F. was not born in one province. It started as a protest against the tragic conditions caused by the depression of the 1930s,

and dissidents from all over Canada were brought ir although adherents were found chiefly in the westen In the summer of 1932 a conference was held in Calga heralding the formation of this new party, designed tc all the left-wing groups. It became a union of thı streams: farmers frustrated by the older political parti of the depression, whose co-operatives and farme associations (a legacy of the agrarian revolt of th formed ready-made organizations on which this n body could be built; labour units chiefly from the ir areas of Ontario with a smattering from British Colui group of left-wing intellectual socialists, many of tł Scholars. The C.C.F. programme, adopted at the fi convention at Regina, Saskatchewan in July 1933, p complete socialization (i.e., nationalization) of all se economy except land, the agrarian element to whic looked for its voting strength setting its face against th Regina Manifesto, still the basic creed of the party, c 'No C.C.F. Government will rest content until it ha capitalism and put into operation the full programme planning which will lead to the establishment in Ca Co-operative Commonwealth'.

During the 1930s the C.C.F., whose aim was a po fully integrated at three levels, federal, provincial, anc made little progress electorally, but in the 'forties the p the leadership of Mr M. J. Coldwell, appeared a stron for the role of official Opposition, or even, eventually, ment. In the election of 1940 the C.C.F. captured 8 Federal Parliament, and in 1945 this was stepped up (16 from Saskatchewan and all but one from the wester of Saskatchewan, Manitoba, and British Columbia), t their representation in Ottawa had dropped to 13.

To achieve federal power in the strength necessary Government in Ottawa they needed the whole-hearted industrial workers throughout Canada, and not merely of the farm *bloc*. Even among this *bloc* they had virtuall in weaning the farmers of Alberta from Social Credit, a success with the farmers of Manitoba. The industrial Canada tend to follow the pattern set by the big tı of the United States, the American Federation of Lal Congress of Industrial Organizations, both of whicl

formation of a labour political party and set their face against the socialization of industry. They feel that the worker can better advance himself under a system of private enterprise, with the unions working as pressure groups through the already established political parties. Although certain unions in Canada have indicated their 'fraternal assistance' to the C.C.F., on the whole workers have tended to follow the American pattern. There is no rigid class system in Canada. Certainly throughout the first half of this century the goal of the majority of workers was to become capitalists themselves, if only in a minor way. The worker saw advancement in terms of individual effort rather than in an organized class effort. Conditions, therefore, do not seem particularly propitious in Canada for the rise of a 'class' party whose avowed aim is the overthrow of the capitalist system of free enterprise.

Provincially, the C.C.F party since its inception has made little or no progress in the Maritimes, Quebec, or Alberta. In Ontario it made startling strides in the 1943 election and became the official Opposition, but by 1945 it had dropped to a representation of 7. In British Columbia it made gradual progress during the 1940s and nearly came to power in 1952, dropping back, however, in the 1953 election. It is only in Saskatchewan, where conditions were propitious for the rise of a successful socialist party, that the C.C F. has managed to form a government. In no other province was there such a high proportion of immigrants whose previous background had been one of trade unionism, of 'co-operative' experience, and of avowed socialist leanings. Mr T. C. Douglas, born in Scotland and emigrating to Canada in 1910, became the first C.C.F. Premier of Saskatchewan in 1944 and has remained in office ever since. In its early days of provincial power the C.C.F. did take certain steps to implement its socialization programme in industry, but resulting losses were discouraging, and emphasis on the socialization of industry has decreased. At first, too, the expressed intention to expropriate oil and natural gas companies once their initial exploration had shown satisfactory results discouraged such companies from risking their capital in Saskatchewan, and Alberta showed a much higher rate of exploration and discovery. By the 1950s the Saskatchewan Government realized that such an attitude was unrewarding and proceeded to modify it, with the result that risk capital is now flowing into the province with satisfactory results for the finding and exploiting of oil and

natural gas. Even in Saskatchewan, where the C.C.F. seems firmly entrenched, the mellowing influences of time and political responsibility are blunting the sharp edges of the doctrinaire. Federally it seems unlikely that the C.C.F. can hope to be more than a minority party.

BRITISH COLUMBIA

In British Columbia the pattern has taken another twist, and the present political situation there, unless viewed against a background of knowledge, is rather confusing. Sturdily Conservative after its creation as a province in 1871, and then alternating decorously between the two traditional parties, Liberals and Conservatives, British Columbia began in the 1920s to be aware of the radical ferment which was sweeping the west; but at that time the growth of third parties was largely confined to dissident farmers' organizations which dwindled and eventually faded away under the astute hand of Mr McKenzie King, who incorporated much of their programme in his own.

By the mid-'thirties the Conservatives in the British Columbia Legislature had dwindled to zero, and the Liberals held sway, but by 1937 the Liberals, though returned to power, found eight Conservatives and seven C.C.F. members facing them as Opposition. In 1941 they were re-elected as the largest party, with a combined Opposition of twenty-seven to their own twenty-one members, and a Coalition Government of Liberals and Conservatives was formed. This Coalition was returned to power both in 1945 and 1949, with the C.C.F. creeping up to a representation of eleven. Widespread discontent among the populace with the two older political parties was everywhere apparent, and even among themselves schisms were visible. By January 1952 the pattern had switched to a Liberal-and-Coalition Government of twenty-six, with Progressive Conservatives electing eleven members and the C.C.F. eight. Social Credit in Alberta by this time had lost its stigma of being a 'funny money' party, and was highly respected as a forward looking right-wing administration in which free enterprise had found a sure citadel against the encroachment of the socialistic C.C.F. A Social Credit party was formed in British Columbia with Mr W. A. C. Bennett, previously a well-known Conservative M.P., as its leader, and in the 1952 election put itself forward as the upholder of private enterprise, a function

it claimed to be more worthy to fulfil than the Liberal and Conservative parties, now discredited through suspicion of graft and corruption. The Social Credit party won 19 seats, the C.C.F. 18, while the Liberals and Conservatives trailed far behind. The uneasy balance soon precipitated another election, and in 1953 the Social Credit party came further into the lead with 28 seats to the C.C.F.'s 14, and was able to form a more stable government. The Social Credit party in British Columbia has no interest in any unorthodox monetary theory. It follows the example of the Alberta party in having a certain religious flavour, and in being the right-wing party of free enterprise, opposed to the socialists.

CONCLUSION

The Liberals have a foothold in all sections of the country. They must and do keep their ear close to the ground, as each new election programme must be based on an assessment of the shifts in public opinion. The criticism of their own backbenchers and of the Opposition parties, which though relatively small in representation are yet potent in influence; the sway in provincial elections and federal by-elections; all these factors keep the Liberal Government alert to every wind that blows. Its leaders are of high calibre, and there has been no dearth of promising adherents.

The Conservatives have apparently lost Quebec irretrievably, and their influence in the radical West has declined steadily since the 1920s. Both the Social Credit and the C.C.F. parties appear to have a sectional appeal only, and despite the hopes of some and the fears of others in the 1940s that the C.C.F. might one day become the dominant federal party, that vision seems to have faded.

There seems no sign of any change in the immediate future in the political pattern of Canada, but that is not to say there may not be a long-term change. Already the conscription issue is looming less large and bitter. Mr St Laurent, the Prime Minister, is reported as having said that he would enforce conscription in the case of war if it should prove to be a necessity, with no resultant outcry from Quebec. The radicalism of the west rested chiefly on its feeling that the highly populated and industrialized east had no interest in their western problems, but the recent vast expansion of industrialism, from the iron ore projects of Quebec and Labrador to the natural gas, oil, and pipeline activities of the Prairies, the Kitimat aluminium project in British Columbia, and the uranium and

mining developments of the North, may gradually change the balance of industrial power which has hitherto rested entirely with the Ontario-Quebec area. A new Canadian nationalism is arising which may tend to blur the edges of the previous sharply-defined economic and religious sectionalism.

G. L.

The Dilemma of the Polish Economy—II

THE INVESTMENT EFFORT

THE brief survey of Poland's foreign trade which concluded the earlier part of this article[1] showed that, far from bringing any relief, external economic relations tend to increase the burden of the country's investment effort. Thus only domestic savings can provide the means of investment.

Data on investment and its share in the national income need to be examined with particular care. The published figures are disconnected and very often conflicting. They are based on a valuation whose methods and concepts have not been satisfactorily disclosed, but which certainly differ from those applied in the West. While the revealed data on national income are based on pre-war prices, investment figures are on a current price basis This leads to a confusion which may be intentional.

However, for lack of anything more satisfactory we have to rely on official data, always bearing in mind the pitfalls. In particular, we have to remember that the whole of the relative price structure has changed over the last fifteen years. But there may be at least some illustrative meaning in the claim that national income—in

[1] See 'The Dilemma of the Polish Economy', in *The World Today*, March 1954. In continuation of footnote 4, p. 134 of that issue, it may be mentioned that Bialer, in *Ekonomista*, 1953, No. 3, p. 88, supplies an interesting clue to the question of coal prices as charged to Russia. Coal, coke included, represented in 1952 only 10 per cent of total Polish exports to the U.S.S R. On a basis of $180 million, tentatively estimated by the present writer to represent Polish exports to the Soviet Union (cf footnote 5, p. 133) and of an 8 million tons total, one would arrive at a price of $2·25 per ton as an over-all average for both reparation and 'commercial' coal supplies to Russia.

pre-war prices—has doubled over that period, and that it has grown by three-fifths since the current Plan has been put into operation.[1] While before the war industry was responsible for 30 per cent of the national income, today its share is more than half the total, and would be even higher if computed at pre-war prices. The contribution of agriculture and forestry has fallen from nearly a half (45 per cent) to a quarter. It may also be worth mentioning that three-quarters of the national income is produced in the socialized part of the economy.[2]

While for several years national income has failed to attain the Plan target (mainly as a result of failures in agriculture), investment has, at any rate till 1953, almost consistently outstripped the planned goals. In effect, the slice taken by investment from the 'national cake' has hitherto exceeded what was intended. It has oscillated, over the first half of the planned period, at around 27 per cent.[3] No less than seven-tenths of it goes to fixed capital assets; the remaining three-tenths goes to stocks.[4] Roughly three-fourths of it has been used so far to raise the capacity of industries producing means of production, while only the remaining one-fourth has been allocated to the industries which serve consumption.

[1] National income is defined as gross national product minus the cost of replacement of means of production

It has been estimated as follows (1937 prices)

(*milliard zloty*)

1938	1946	1947	1948	1949	1950	1951	1952	1953
15·4	10·3	14 7	18	19·2	23 3	25·5	28·8	31·7

Cf T D, *Zycie Warszawy*, 25 September 1952; K Laski, *Ekonomista*, 1953, No 3, p 155, *Zycie Gospodarcze*, 1953, No 6, p 192, and 1954, No 4, p 138. These figures (partly estimates) tally broadly with the total for the years 1950–3 quoted as 102 6 milliard zloty by Bierut. (Report to the 2nd Party Congress, March 1954)

[2] K Laski, *Ekonomista*, 1953, No 3, p. 155, and *Zycie Gospodarcze*, 1954, No. 4, p. 138

[3] Capital accumulation has been estimated at 'comparable prices'—which seems to mean prices which prevailed in Poland after the 1950 currency reform—as follows.

(*milliard zloty*)

1946	1947	1948	1949	1950	1951	1952	1953
4 03	5 33	7 59	12 01	17 1	24 0	29 3	33·7

cf K. Secomski, *Zycie Gospodarcze*, 1951, No 3, p. 134; Dietrich, *Trybuna Ludu*, 26 April 1953, *Zycie Gospodarcze*, 1954, No. 4, p. 138.

The share of accumulation (investment) in national income has been stated as follows (as percentage of total).

	1938	1949	1950	1951	1952	1953 (*provisional*)
Planned			22·7	25	25	
Actual	12·7	21·8	27 2	28·1	26·9	25·1

Cf. K. Secomski, *ibidem*, and Bierut, *Trybuna Ludu*, 6 November 1952.

[4] Cf. B. Minc, *Nowe Drogi*, 1953, No. 2, p. 86 seq.

It is officially claimed that consumption's share in the national income is roughly three-quarters of the total. But it appears that under 'consumption' are included the costs of public administration and of the armed forces. Calculation would seem to suggest that budgetary investment plus expenditure on the fighting services and on State administration (budgetary reserve included) accounts for about 55 per cent of the national income. Thus the consumer is left with only 45 per cent.[1]

A very rough figure, derived for 1952 from United Nations computations, would put the national income per head of population in Poland at about $450.[2] In that case the Pole is left with something like four dollars' worth of consumption per week—a calculation which may give at least some idea of the sacrifice demanded from the present generation.

In the simplest terms, it can be said that an ever-increasing proportion of the nation's manpower, equipment, and raw materials is being diverted to building factories, mines, shipyards, power stations, railways, etc., to equipping these as well as the fighting services, and to creating 'export surpluses' to serve as payment to foreign countries for new machinery and raw materials Another estimate, made in terms of working hours, would show that by now less than half the population's effort goes into providing food, clothes, and consumer goods to supply the entire nation.[3]

To induce the population to bear the brunt of this state of affairs has now become one of the main problems in carrying out the Government's economic policy. Large armies of workers have to be drafted into factories, their working hours lengthened and their productivity raised, while on the other hand their wages in terms of consumer goods must be kept low. In fact, to make use of Marxian terminology, a high 'surplus value' must be extracted and placed at the disposal of the employer-State.

[1] In 1953 investment, expenditure on State administration, and on the fighting forces, budgetary reserves included, amounted to 72 milliard zloty as against national income estimated at 130 milliard zloty (current)

[2] Cf. U.N. Statistical Office, *National and Per Capita Incomes. Seventy Countries—1949* (New York, 1950), p. 16. Poland's national income for 1949 is estimated at $300 per capita A 50 per cent increase of the national income is assumed for the period 1949–52.

[3] Expenditure on investment, State administration, and the fighting services, reserves included, is estimated at an equivalent of 8 million man-years (72 milliard zloty divided by about 9,000 zloty, representing the social cost of a man-year), out of some 15 million man-years' work in the Polish economy as a whole.

THE WORKER'S SHARE IN THE BURDEN

The systematic publication of statistics on wages, cost of living, and family budgets has unfortunately been discontinued.[1] It is therefore difficult to assess precisely the post-war changes in real wages. But in attempting to answer the question of how real wages have behaved over the last fifteen years changes in purchasing power in terms of food may be some guide, since it is safe to assume that food expenditure accounts for about seven-tenths of a representative working-class family's budget. Here we find that till the autumn of 1950 the average adult male Polish worker's real earnings, expressed in terms of food, were slowly approaching their pre-war level. This result was achieved mainly owing to fuller employment. However even then, calculated on an hourly basis, the Polish worker could buy with his wages only something less than three-fifths of the food he was able to purchase in 1939. But by mid-1953 the worker's real wages, both monthly and hourly, were reduced (in terms of food) to half the 1950 level. His present monthly real wages are only slightly more than two-fifths of the pre-war figure. For a unit of effort, as expressed in his hourly earnings, he receives, in terms of food, about one-third of what he used to before the war.[2]

[1] According to semi-official sources money and real wages moved as follows up to 1950.

	1938	1946	1947	1948	1949	1950
Real wages		100	113	157	207	219
Money wages		100	153	213	304	350
Real wages	100	—	—	—	105·2	111·3

Cf F Blinowski, *Trybuna Ludu*, 10 August 1952. It has recently been stated that 'real incomes per head of the non-agricultural population in the first half of 1953 were higher by 15 per cent than in the first half of 1949, and by 36 per cent than in 1938'. It is not known, however, to what extent this rise 'in real incomes per head' reflects the growing number of income earners in families. Cf *Trybuna Ludu*, 4 November 1953.

Blinowski maintains that there are 1–1·2 dependants per worker in Poland. Allowing for unemployment he quotes as a corresponding pre-war figure 2 dependants, while Minc mentioned a more probable pre-war number of 1·44 dependants (Report to the 1st Congress of the Polish United Workers Party, December 1948).

[2] Cf. A. Zauberman, in *The Eastern Quarterly*, Vol. VI, No. 3–4.

	1939	*Autumn* 1950	*Summer* 1953
Total cost of 'food basket' representing the annual consumption of food per male adult worker (in zloty)	256	1385	3755
Average monthly wages (in zloty)	120	540	700
Average hourly wages (in zloty)	0·78	2·70	3·50
Index of real wages—monthly	100	83	41
Index of real wages—hourly	100	56	30

Since the summer of 1953 real monthly and hourly wages increased by between 3 and 5 per cent. (*Note continued on p.* 176.)

Hence a significant inference can be drawn: before the war the number of man-hours worked in Polish industries was about 1·6 milliard a year: the roughly 6½ milliard man-hours worked today are purchased at only a slightly higher cost in real wages—which sheds light both on the 'surplus value' obtained and on the mode of operation of full employment in post-war Poland.[1]

What actual productive effort does the employer-State exact from the worker? There is, of course, a very pronounced tendency to correlate real earnings with productivity. Rationing by purse was reintroduced in 1953 in conditions of acute scarcity of consumer goods: wage-scales are being highly differentiated: emphasis has shifted to piece-work as a criterion of reward:[2] work standards are periodically revised and raised to spur the effort.

According to the official statistics, between 1950 and 1953 productivity per man rose by one half.[3] This result, however, is no more than simple arithmetic, arrived at by dividing the growing volume of output value (incidentally, this value appears to be computed without due allowance for the duplication of output passing from one enterprise to another) by the number of workers, which increased more slowly. We would be on much safer ground if we could resort to data expressed in physical terms. Unfortunately they are kept secret: yet an important sample, referring to a typical light industry and a typical heavy industry, may provide us with an interesting clue.

According to a computation of index numbers of the cost of living in Poland, given in the E C.E 's recently published *Economic Survey of Europe in 1953* (p 64), a working family's expenditure on food was roughly two and a half times greater in June 1953 than in December 1950, this is in broad agreement with the above findings. Budget items next in importance to food, i e clothing, heating, and light, were, according to the same index numbers, roughly doubled Food, clothing, heat, and light between them accounted for 81 6 and 88 5 per cent of the total cost of budget in December 1950 and June 1953 respectively Since the rise of wages over that period was in the order of 30 per cent there must be some error in the futher supposition that 'the average real wage was in 1953 some 15 per cent below the end-1950 level' (p. 66) Unfortunately no real wage comparisons with the pre-war level have been made by the E C E Nor have any been made by Bierut in his Report to the 2nd Party Congress (March 1954), though he stated that 'individual real wages have gone up insignificantly, i.e by 5 per cent, as compared with 1949 level ' It may be added that the current Plan promised the worker a rise in real wages of 40 per cent by 1955, as compared with the 1949 level. (Minc, Report to the 1st Party Congress, December 1948).

[1] For the pre-war position cf. *Maly Rocznik Statystyczny*, 1939, p 265 Present working time is computed as follows: 3 million workers (industrial, building included) × 2·200 hours a year = 6 6 milliard man-hours.

[2] Between 1949 and 1952 the percentage of piece-work rose from 30 to 48 per cent in mining, and from 49 to 60 per cent in iron and steel. Cf. *Gospodarka Planowa*, 1953, No. 7, p. 30.

[3] *Trybuna Ludu*, 4 November 1953.

Thus, as compared with 1938, the number of man-hours worked in the textile industry has increased by roughly two and a half times, while output—in terms of materials produced—rose by roughly two-thirds; this would mean an overall productivity per man of only about three-fifths of the pre-war level.[1] Take the productivity of a typical heavy industry. The average output in the Polish mines rose over the quarter-century preceding the last war from 1·14 to 1·82 tons per day shift; in 1937 the productivity of Polish miners headed the list of all the main European coal-producing countries.[2] From the post-war 'low' of 0·83 tons in 1945 it recovered rapidly to reach a level of 1·33 tons by 1948. At that point the upward trend almost came to a standstill. It is now still in the neighbourhood of 1·4 tons per day shift—roughly four-fifths of the pre-war figure.[3]

The example of mining is certainly telling. True, we see in the mines, as in every other Polish industry, the unavoidable effects of a dilution of manpower by 'green labour'; workers with more than five years' underground experience represent only a third of the total. On the other hand, mining is precisely that branch of the economy where the nation's labour-saving investment effort is at its highest: in fact, according to the programme, mechanization of mining should have produced a rise in productivity of almost two-fifths during the current Plan period. In addition, the average miner's earnings are above the overall average in industry: the miners' charter of 1949 granted him special privileges in the way of paid holidays, social security, housing, etc.: by now one in every three miners wears a decoration. All this has proved no more successful in increasing productivity than did the punishments provided for under the severe regulations on work discipline which were enforced in 1950.

High rates of absenteeism, and migration of labour in search of better working conditions, are but the outward signs of the in-

[1] Present level of man-hours worked in textile industries: 343,000 workers × 2,200 hours = 750 million man-hours a year; 1953 output was 568 million metres of material (1938 figures were 292 million man-hours worked and 325 million metres produced). Cf *Trybuna Ludu*, 4 November 1953, E.C.E. *Economic Survey of Europe since the War*, 1953, p 148; *Maly Rocznik Statystyczny*, 1939, p 265

[2] *Maly Rocznik Statystyczny*, 1939, p. 267

[3] Average overall productivity per man-shift:

1938	1946	1947	1948	1949	1953 (estimated)
1·82	1·07	1·22	1·33	1·33	1·4

Cf U.N. *Monthly Bulletin of Coal Statistics*, 1951 and 1952.
Present productivity is deduced from data quoted by B. Krupinski, *Zycie Gospodarcze*, 1952, No. 17, p. 937.

articulate struggle of the working class to throw off the burden of capital investment costs.[1] On an average, every factory has a complete labour turnover every three years.[2] It is easy to imagine how disastrous the effect of this can be on the efficiency of any enterprise. Incidentally, this turnover, coupled with the demoralizing effect of the race against time to reach the quantitative targets, is an important contributing factor towards the staggering deterioration in the quality of manufactured goods which is constantly reported.

RECRUITMENT OF LABOUR

The failure to increase productivity makes it even more imperative to keep up with the recruitment time-table.

Before the war, out of a population of 35 million some 2,750,000 Poles were employed outside agriculture. At the beginning of the current Plan period this figure had already risen to almost 4 million, out of a post-war population of 25 million. By now it is about 5½ million, of whom some 2,300,000 are employed in heavy and medium industry. The extent of the investment effort is reflected, in particular, in the growth of the army of building workers from about 53,000 to about 750,000 since 1938.[3]

Of all the potential sources of additional manpower, one which is being tapped with particular fervour is that of the urban *declassé*[4] and above all the worker's wife and daughter. By the beginning of the current Plan period (1950) there were about 1·2 million women in employment outside agriculture, and by 1955 they are expected to number almost 2 million; in fact, one in three of employed persons will be a woman.[5] The fall in real wages of the

[1] In this context this burden is meant to include the heavy cost of armaments It has been announced recently that Polish armament industry has been so reconstructed, modernized, and expanded that today it manufactures all the equipment needed for the armed forces Cf Bierut, Report to the 2nd Party Congress, March 1954.

[2] Cf. Zielinski, *Zycie Gospodarcze*, 1953, No. 21, p. 742.

[3] *Non-agricultural workers (in millions)*:

1938	1946	1949	1952	1953	1955 (*Plan*)
2·73	2·5	4·01	5 34	5 6	5·7

Cf. *Zycie Gospodarcze*, 1953, No 21, p. 741, and No 22; and E.C.E , *Economic Survey of Europe in 1953*, p 73 Poland's population has been estimated at under 23 million at the end of the war, roughly 24 million at the close of the post-war migration in 1948, and 26½ million at the present time. Cf. Bierut, Report to the 2nd Party Congress, March 1954.

[4] There are about 800,000 people still employed in small-scale workshops in Poland. This is the reserve army which feeds the large-scale industry. *Gazeta Handlowa*, 12 June 1951.

[5] The percentage of female labour in the socialized sector of the economy outside agriculture was 29·6 in 1950, 32 in 1952, and 34 in 1953. Cf. Golde, *Zycie Gospodarcze*, 1953, No. 10, p. 309.

urban worker, while acting as a deterrent in the recruitment of peasants,[1] is at the same time a powerful incentive to the worker's wife and daughter to take up employment. In many ways a townswoman from a working family is a more welcome recruit than a peasant: she is more adaptable to factory discipline, she has a background of 'industrial culture', and her employment does not raise new problems in the supplying of consumer goods to towns, for it causes no change of consumption pattern, and produces no increase in consumer demand such as normally arises with urbanization. Neither does it increase the already acute housing shortages (assuming an average of one room per two persons, one finds that the population of Poland is growing twice as fast as the nation's housing capacity).[2] In fact, up to a point (i.e., a point when such a policy begins to yield diminishing returns in terms of labour productivity), the Government has acquired almost a vested interest in keeping the husband's and father's real earnings sufficiently low to drive his wife and daughter into employment.

THE PEASANT'S SHARE IN THE BURDEN

The question of living standards in towns—which is largely one of food supply—and the question of manpower reserves bring us to the crucial problem of the peasantry. It is they who have to foot the heaviest bill of the nation's investment effort—if for no other reason than that they are the largest class. This, of course, is also in accord with the general philosophy of the Communists, despite the fact that the explicit doctrine of socialist 'primary accumulation' through squeezing the peasant has been disowned by the Party line since the days of the defeat of the Trotsky-Preobrazhenskiy leftish deviation. The general tendency is, therefore, to extract from the peasant the greatest possible production at the cost of the lowest possible food consumption: to make him disgorge as much as possible of his produce for the towns, the army, and the emergency reserve, as well as for export, in exchange

[1] In the last two quarters of 1952 recruitment fell to between 60 and 73 per cent of the target. *Zycie Gospodarcze*, 1953, No 21, p. 743.

[2] The number of rooms constructed in 1952 has been estimated at 5 per 1,000 inhabitants (E C E. *Economic Bulletin for Europe*, Vol. 5, No. 3, p. 33). The surplus of births over deaths was (per 1,000 inhabitants).

1921–25	1936–38	1949	1950	1952
16·2	11·2	17·3	19 0	19·0

Cf. *Maly Rocznik Statystyczny*, 1939, p. 45: *Nowe Drogi*, 1950, No. 2, p. 31, Jedrychowski, *Trybuna Ludu*, 14 September 1952; Bierut, Report to the 2nd Party Congress, March 1954.

for as little as possible in the way of manufactured goods. The Communist regime is, in fact, more interested in what is called the marketable produce (i.e., that part of agricultural produce which leaves the village) than in the aggregate of farm output as such.[1] There is, again, a close relation between this aim and the doctrinal aim of the socialization of farming; for it is only when the peasant no longer has a say as to the ratio between his production and his consumption that the State can extract a sufficiently large proportion of the agricultural produce at its disposal.

Under the Communist regime the State farms in Poland cover no less than 2·62 million hectares, or 12·8 per cent of all farmland.[2] This result has been achieved not so much through the post-war agrarian reform as through the acquisition of the ex-Junker estates in the newly acquired territories. In fact, three-quarters of the State farms lie in that part of the country where the level of cultivation is at its highest. It must have appeared to the Communists that they had here a unique opportunity both to give visible proof of the superiority of socialism in the village (the State farm, the 'agricultural factory', is assumed to be the highest phase of rural socialism), and also to secure rapidly an agricultural *masse-de-manoeuvre* sufficient to render the Government independent of the peasantry for food production during the critical transition period of collectivization. In other words, flourishing State farms, which are allotted the bulk of investment set aside for agriculture, would become the bulwark against the peasants' resistance Thus the peasant would be prevented from making use of their strongest weapon—the withholding of food supplies. In the first place, according to the regime's plan of strategy, State farms would by the middle of the present decade replace the largest, i.e. the 'kulak', holdings as suppliers of food, while the latter would be 'liquidated' and the medium and smallholders would be pushed towards the collective farms, in accordance with Lenin's famous 'trinity formula'.

It would take too long to discuss here the complete disappointment which the State farm has proved (to its owners) in Poland Time and again Bierut himself and his Ministers have bitterly castigated the faulty organizational structure, the bureaucratic en-

[1] Roughly a third of the total agricultural produce leaves the Polish village as 'marketable produce'. Cf. Tepicht, *Economista*, 1953, No. 3, p. 40.

[2] Cf. Bierut, Report to the 2nd Party Congress, March 1954. State farms appear to have expanded considerably. In 1948 they covered only 1·75 million hectares, i.e. 8·6 per cent of all farmland.

cumbrances, the low technique and inefficiency, and even the corruption which are rampant in State farms.[1] In the writer's view, it is probably their failure, more than any other single factor, which has upset the whole Communist strategy and time-table for the Polish village. In this connection a comparison might be made. The 170,000 holdings in the highest 'kulak' stratum of peasantry farm about 2·8 million hectares, or only a tenth more than the State farms. Each employ about the same manpower.[2] As has been already stated, State farms comprise lands of the highest level of cultivation. They have first priority for fertilizers and other materials, and have been endowed with modern equipment: they have all the combines in Poland, and 28,000 tractors out of a national total of 45,000 (the remainder being used almost exclusively on collectivized farms). The 'kulak' has practically no motorized equipment: each person employed in a State farm can command on an average 3½ h.p. mechanical power, as against only 0·15 h.p. for individual farming.[3] Moreover the 'kulak' is cut off from the supply of building materials, fertilizers and so on, and is exposed to a constant administrative and party terror and petty chicanery. Yet the 'kulaks' supply the country with at least twice as much marketable produce as do the State farms.[4] One would expect that at least in grain production the advantages of large-scale and heavily-mechanized State-farming would be apparent. But even this expectation is belied by results: for example, in 1952 State farms delivered only 17 per cent of the grain supplied to the State barns, while 19 per cent was purchased from the 'kulaks'.[5] Such facts as these, which imply the condemnation of

[1] Cf. i a. M Kaminska, *Nowe Drogi*, 1953, No. 1, p 118, and Bierut, *Trybuna Ludu*, 6 November 1953. It should be stressed, Bierut stated recently, that the State farms 'do not as yet supply the country with . . all that would be justified by the volume of the investment' (Report to 2nd Party Congress, March 1954).

[2] Definitions of a 'kulak' vary in accordance with the requirements of political expediency They refer to the size of his holding, or the income assessed, or the manpower employed. It has been stated that there were 170,000 'kulaks' to whom the highest land-tax rates were applied, and these owned 15 6 per cent of the total peasant-held land Cf. Zambrowski, *Nowe Drogi*, 1950, No. 5, p. 51. Cf. also *Trybuna Ludu*, 5 March 1952 for estimates of manpower on private farms.

[3] Instytut Ekonomiki Rolnej, *Wies w Loczbach*, Warsaw, 1952, p. 25. Under the Plan no less than two-fifths of all agricultural investment goes to the State farms, while another two-fifths goes to collectives and tractor stations, which primarily serve the needs of the latter.

[4] State farms supply 15 per cent of marketable produce (cf. Bierut, *Trybuna Ludu*, 6 November 1953). According to Zambrowski, *loc. cit.*, p. 57, the 'kulak' represents 26 per cent of the national agricultural output and 'his share in marketable produce is even higher'.

[5] Cf. J. Tepicht, *Trybuna Ludu*, 31 December 1953.

one of the most important tenets of Communist agrarian doctrine, have enmeshed the regime in Poland in an inherent contradiction which cannot but strike the dialectician. The doctrine demands that in the process of collectivization it is the class enemy, the 'kulak', who should go first. But common sense in economic policy requires that the 'kulak', a provider of produce on whom the Government is so heavily dependent, should be the last to go.

At the other end of the agricultural scale, the smallholder is more successful than the State farm as a stock breeder. Though he owns only an eighth of the country's farmland, he is responsible for the delivery of a fourth of all the pigs bought by the State, a proportion probably twice that supplied by the State farms.

Taken as whole, the peasantry, which is almost entirely dependent on its own investment effort, and a third of which is without even horse traction, supplies the town, the army, the exports, and the emergency stocks with produce in a proportion greater than its share in the country's farmland area. How far investment in the State farms is an economic proposition can easily be inferred.

A. Z.

(To be concluded)

ERRATUM

In the first part of the above article (*The World Today*, March 1954, p. 126) the quantity of fertilizers which went to agriculture was stated to be 'something under 500 million tons' This should, of course, read 'something under 500,000 tons'. Meanwhile the quantity has officially been reported by the State Planning Commission as 426,500 tons (chemical nutrients).

PRINTED IN GREAT BRITAIN AT THE BROADWATER PRESS, WELWYN GARDEN CITY, HERTFORDSHIRE

THE WORLD TODAY

Volume 10 No. 5 May 1954

*

Notes of the Month

Britain and E.D.C.

THE E.D.C. is two different things. It is on the one hand a project for the creation of a European army, a pooling of military resources, and an annihilation of distinct national commands. But it is also something more—a part of a wider project for a political union or federation, a European Political Community. This duality is at the root of the British embarrassments, for whereas Britain is prepared to support E.D.C. in its first aspect to a point equivalent to full membership, she is at the same time determined to steer clear of political unions. This point was clearly made by Mr Eden when questioned in the House of Commons on 14 April after his statement on the latest British engagements to the six prospective E D.C. partners. The Foreign Office's problem is how to convince them of British support for E.D.C. while refusing to join it.

It is obviously not at all easy to solve this problem. Given the basic British attitudes towards E.D.C., London has now gone about as far as it can. Since May 1952 Britain has been bound (conditionally upon the ratification of the E.D.C. treaty) by a treaty of mutual assistance with the E.D.C., by promises of mutual assistance between the E.D.C. and N.A.T.O., and by an Anglo-American declaration that any threat to the integrity or unity of E.D C. would be regarded by London and Washington as a threat to their own security. This last declaration envisaged not merely an outside threat but also and more particularly the threat which would arise if Germany withdrew from E.D.C. Now, almost two years later, London has reaffirmed and in some respects elaborated these commitments. A new agreement on co-operation with E.D.C. has been signed, a statement of common policy on military matters has been drawn up, and a declaration of British policy towards E D.C. and N.A.T.O., signed by Mr Eden, has been sent to the six continental capitals. Britain will send a Minister to meetings of the E.D.C. Council of Ministers and a permanent representative to the E.D.C's executive body, the Board of Commissioners. She

undertakes to maintain on the continent such forces
necessary to constitute a fair contribution to the def
North Atlantic area, and declares that she has no intenti
drawing from the continent so long as there is a threat
Europe or to E.D.C. She will not alter the level of
forces on the continent without consulting E.D.C. (It
clear that Britain can no longer defend herself unless he
and probably also her ground forces, are stationed at sor
from these shores, and that the British staffs are fully c
this. Self-interest dictates the maintenance of British fo
continent.) Finally, Britain agrees that British units
cluded in European formations under S.H.A.P.E. and
contribute an armoured division to a European corps
adopts for herself one of the main articles of the E.D

President Eisenhower has sent to the six contine
Ministers similar assurances. These do not (and were n
to) go as far as the British, but they amount, as M. Bid
recognized, to a repudiation of peripheral strategy.

The object of these démarches is clear—to get F
Italy) to ratify the E.D.C. treaty. Reports so far suggest
the Anglo-American declarations will strengthen the fr
treaty, they will not convert many of its enemies. M.
formally declared that the Government will ask t
Assembly on 18 May for an immediate debate on E.D.C
while the opposition has been strengthened not only b
Juin but also by the less picturesque if perhaps more
ex-President Auriol's articles in a French newspaper. T
attempt to bolster the military while sidestepping th
aspects of E.D.C. may succeed, but its weakness is
attempt itself sidesteps the main source of French he
the fear of the equation E.D.C. = E.P C. = German d
Britain has separated E.D.C. from E.P.C. in order
E.D.C. Many Frenchmen believe that they cannot be s

An Inter-Racial Convention of South African Church L

THE Federal Missionary Council has decided to
time in 1954 a comprehensive National Convention
and the racial problems of South Africa. Europeans
Europeans of the other Churches and mission bodies
Africa will be invited to attend. The *Natal Mercury* (18
1953) in a leading article commented on this importan

'The fact that the sponsors of the Conference are representatives of the Dutch Reformed Churches is in itself both a remarkable and hopeful sign. It is an indication that concern at the . . . tension in South Africa is not confined only to the English-speaking section of the community as is so often wrongly suggested.'

The decision to hold this Convention had originally been taken in January 1952, when the Federal Council of the four Dutch Reformed Churches in the Union, the Rhodesias, Bechuanaland, Nyasaland, and the Sudan proposed a discussion of the problems of race relations in South Africa between Christian churchmen of all races and of most important denominations.

A preliminary conference was held from 17–19 November 1953 when 150 European church leaders of over forty denominations met at the Voortrekker Memorial Hall in Pretoria. The theme of this conference was 'the application of Christian principles in our multi-racial land, with special reference to the extension of the Kingdom of God among the non-European people of South Africa'. It was found here that amongst the church leaders there were many points of view which it would be hard to reconcile. Professor B. B. Keet, of the Theological Seminary, Stellenbosch, stressed the need for church leadership towards the attainment of racial unity; he emphasized that the differences between man and man and between race and race were temporary and impermanent and that 'inequality, which is undoubtedly seen in all spheres of life, can surely never be used as an argument for permanent subordination'. The Rev. C. B. Brink, Moderator of the Synod of the Ned. Geref. Kerk in the Transvaal and Chairman of the Federal Council of Ned. Geref. Churches in South Africa, proposed that the Church should concern itself only with spreading the gospel rather than with imposing its views on the State. He held that the differences between the races was God-given and should be preserved. 'The calling of God,' he said, 'goes out to many, but that does not nullify natural differences of rank and status.' Dr J. B. Webb, Chairman of the Transvaal and Swaziland district of the Methodist Church of South Africa, thought that Christianity should at least demand the observance of the Charter of Human Rights.

Nevertheless despite these differences there was a general desire to reach some understanding in the approach to racial problems. It was hoped that the National Convention would confirm the degree of co-operation reached, in view of 'the unhappy effect on non-Europeans when the European Churches are at variance'.

Britain, Egypt, and the Canal .
since July 1952

AN agreement between Britain and Egypt for the ev
British troops from the Suez Canal Zone and the mai
the base by Egypt was closer in the early part of this y
any time since the Sidky-Bevin draft agreement of 1
obstructed, in the end, more by difficulties inside the tw
than by differences between them. This is probably sti
while it does not appear that the progress made towar
ment has been lost, the presidential crisis in Egypt whi
the end of February and lasted almost throughout
raised problems of another nature. In Egypt, the Depu
Lieut.-Col. Gamal Abdel Nasser,[1] who leads the count
to consider how much that crisis has affected his pow
an agreement with Britain. In Britain, the resistan
sections of the Conservative Party to a settlement has
forced by the appearance of instability in the Egypti
ment. Both Governments desire an end to the dispute.
tian Council of Revolution is well aware that the mater
upon which its long-term stability depends will never b
unless it does end. The Imperial General Staff and t
Office have both advised the British Government to r
ment. The clauses not yet accepted by both count
'heads of agreement' are of small importance in relation
measure of acceptance. One would assume that the tw
would be able to reach an early and satisfactory agree
it not for political obstructions within each.

Despite the difficulties which the British Embassy h
tered in negotiating with them, the military leaders w
power in Egypt on 23 July 1952 have been more
in their desire for agreement with Britain than mos
Governments since the war. The Wafd Governmen
queathed to them a unilaterally-abrogated treaty and
treme opinion in the country. Four months of rule by
Government had provided some forgetfulness of the u
events of 1951, but that was all. Even among the milit
who seized power there were those who did not belie

[1] On 18 April Colonel Nasser took over the Premiership from G
who remains President of the Republic.

ment could be reached by negotiations, and only the system of majority vote in their committee overruled them.[1]

They were, in any case, too busy with their domestic affairs to do anything about the matter at the outset. What they did do was to indicate their trend of thought in negative ways. Their censorship kept the press fairly free of those bitter attacks on Britain which had been continuous since the war, and they held the door open for negotiations by avoiding those rabid nationalist statements which in the past had so often made negotiation impossible. General Nagib, at that time the sole spokesman of the Army, referred to the proposed Middle East Command in terms which did not exclude the possibility of Egypt's ultimate membership. Britain was obviously uncertain about the future of the regime itself, but on 24 September 1952 the British Ambassador, Sir Ralph Stevenson, was able to discuss with General Nagib the possibility of training Egyptian officers in Britain and the supply of aircraft spares to the Egyptian Air Force. He also broached the subject of the Sudan.

The atmosphere for negotiations was clearly better than it had been for a long time. But it was already beginning to deteriorate. What the Egyptian leaders wanted from Britain was a clear indication of her support, and General Nagib had stated as early as 2 September that the lifting of the arms embargo by Britain would help them. When the British War Minister, Brigadier Head, gave a press conference at Fayid on 29 September, at which he referred to the necessity of maintaining the base, General Nagib replied with asperity next day in a speech at Tanta, calling him a 'son of a dog'. Brigadier Head's statement was harmless enough except in its apparent unawareness of the sensitivity of Egyptian opinion and the delicate position of the leaders; but it showed how close to the surface impatience and irritation had risen.

By November relations between Britain and Egypt were much worse than they had been at any time since the *coup d'état*. This was in part due to the upsurge of resistance to the regime which has been a recurrent feature of it. The opponents began to develop in ever-increasing volume that anti-British sentiment which had formed part of the usual opposition to former Governments; and the military leaders, themselves irritated by what they considered the cautiousness of the British attitude to them, permitted the press campaign to continue, apparently without realizing that it

[1] See 'Egypt since the Coup d'Etat of 1952', in *The World Today*, April 1954.

was intended to embarrass them more than the British. Two British sterling releases, of £5 million each, did nothing to improve the position, largely because they came so late that the Egyptian Government was convinced that the intention was to demonstrate its dependence on Britain. It considered also, and had the opinion of the National Bank of Egypt's bulletin to support its view, that the British were 'deliberately'—the word was used by the Bank three times in two pages—directing their cotton purchases away from Egypt in order to weaken her. At the same time, the Egyptian Government claimed to have a report from the West German Government that its reparations agreement with Israel had been signed only on United States insistence. A list of routine questions which the British military attaché and his aides had put to the Egyptian Army officers had been submitted by Egyptian Intelligence to the Officers' Committee all together, in written form, where they appeared as conditions attached to the supply of six jet aircraft from Britain. Finally, Mr Churchill made a statement to the House of Commons in November affirming Britain's intention to fulfil her international responsibilities in Egypt which was read in Egypt as a refusal to evacuate the Canal Zone. General Nagib was incensed by these developments, and in private he pointed out that they had strengthened those members of the Officers' Committee who believed Britain intended to trick them. The conciliatory members, he said, had been gravely weakened.

Nevertheless the greatest step towards a final settlement had been taken at the end of October 1952, when Egypt, abandoning her claim to sovereignty over the Sudan—which had been written into the Egyptian Constitution by the Wafd Government in October 1951—had reached an agreement with the Sudanese political parties for the self-government of the Sudan and its self-determination within three years. Egypt was under pressure to reach this decision because the Self-Governing Ordinance, which the Sudan Government had submitted to the two co-domini, was due to be implemented in November 1952. Furthermore, the Egyptian aim was not fundamentally different from that of former Governments, in that its purpose was the evacuation of the British from both Egypt and the Sudan; the difference was only in method. Nevertheless, it hoisted Britain with her own petard. She had consistently based her case before the Sudanese and the world on the right of the Sudanese to determine their own future, and the Sudan Administration, largely in resistance to Egypt, had started

the Sudan on the road to independence by the formation of the Legislative Assembly in 1948. Those people in Britain who argued that, in accepting as the basis of negotiations the Egyptian Note of 2 November (which was in essence the agreement with the Sudan parties), the British Government was 'letting down the Sudanese' ignored the fact that it was the Sudan independence movement which had 'let down' the British by taking them at their word. The British Government would have found it extremely difficult to justify a rejection of the Egyptian Note if it had wanted to. But it did not. The Egyptian Government's claim to sovereignty over the Sudan had been the rock on which most attempts at Anglo-Egyptian settlement had been wrecked—notably the Sidky-Bevin attempt in 1946. By abandoning the claim, Egypt had made possible an overall agreement, including an agreement on the Canal Zone base, to which the Sudan had previously always been tied in discussion.

The military leaders had laid themselves open to attack from their political enemies by agreeing that the Sudan had the right to determine its own future. It was one of the arguments used by the parties to stir up the unrest which developed in Egypt during December and January and which culminated on 16 January 1953 in the dissolution of the political parties, the seizure of their funds, and the declaration of the Council of the Revolution that it would rule Egypt for a three-year transitional period.[1]

Inevitably, the period which followed the Egyptian Note of 2 November 1952 was concerned mainly with the Sudan. The negotiations were extremely difficult. The British Ambassador, Sir Ralph Stevenson, tried to secure the maximum safeguards and security for the three-year transitional period, whereas Egypt was clearly intent on breaking the power of the Governor-General and the British administrators, upon whom the smooth evolution of the Sudan greatly depended. When on 10 January the Sudan Parties reached a new agreement with Major Saleh Salem whereby the Egyptian view on outstanding points was largely accepted, the British seemed to be in the position of arguing for the continuing power of their own nationals in the Sudan against the will of the politically-minded Sudanese. In the circumstances, the British negotiators did well to achieve the agreement which was ultimately signed on 12 February 1953.

After Major Salem's return from the Sudan on 10 January the

[1] See 'Egypt since the Coup d'Etat of 1952', in *The World Today*, April 1954.

press attacks on the British administrators in the Sudan
virulent; but otherwise censorship imposed moderation
Anglo-Egyptian question in general. When the Sudan ag
was signed by Britain and Egypt on 12 February, Genera
and Major Salem attempted to foster the goodwill the ag
created. This attitude was partly intended to stress th
victory, but it went beyond self-interest. General Nag
claimed publicly 'the new era of understanding' with Brit
gave some credit to her for the result. He said, further, that
shadowed an early attempt to solve the Canal Zone questi
atmosphere of goodwill. This was all to the good, for beh
scenes the Council of the Revolution was uncertain of the
Although Colonel Gamal Abdel Nasser, now coming into t
as the real leader of the movement, had controlled the p
some extent, he and others of the Council had let it be kno
guerrilla units were being formed to fight the British.
Nasser had no intention of embarking on an open fig
British troops in the zone, but it was thought that if Britain
too difficult her position in the zone could be made unten
organized 'maquis' operations. (To a small extent, these op
did develop later.) The Sudan agreement put such plans asi
short period of time, but they were evidence of how far cor
had deteriorated in six months.

Unfortunately the Sudan agreement was widely critic
Britain, and particularly in the Conservative Party, and,
from Egypt, it seemed that the British Government was ui
to enter into negotiations which, from the outset, must e
the evacuation of British troops. Britain's unreadiness to
the Canal Zone problem immediately the Sudan agreem
signed was a serious blow to the prestige of the Egyptian
leaders and to their plans; for they were counting on a ra
to the dispute with Britain to make possible a forward
politically and economically, inside Egypt. Within a m
weeks the atmosphere had deteriorated, and the Egyptian
themselves made the position worse for the British Governm
their aggressive attitude to the British administrators in the
From that time until the moment of writing, Egypt's ir
pressure on the Sudan has been a handicap to the British G
ment in preparing opinion in Britain for the Canal Zone n
tions. The Egyptian reply to Mr Eden's statement in the H
Commons on 20 March 1953 was the most damaging devel

at this period when taken in conjunction with the campaign against the British administrators, for it showed that Egypt was intent on securing a dominant position in the Sudan. Mr Eden had merely stated that, since the choice left to the Sudan at the time of self-determination was between independence and union with Egypt, she could, if she opted for independence, enter into any arrangements with any other country she liked, including membership of the British Commonwealth. As it was highly improbable that the Sudan would be admitted to the Commonwealth in the circumstances then existing, the statement was of little real importance; but it produced a violent reaction in Egypt. General Nagib declared on 22 March that he wanted evacuation or annihilation ('If the British will not go of their own free will, they will be forced to go'), and Major Salem said negotiations on the Canal Zone could not start until the Sudan agreement was honoured in the letter and the spirit.

Anglo-Egyptian relations remained in this degenerate state for some weeks. Until both sides were ready to negotiate there could be no more than tentative, informal approaches to the problem. For some months it had been known that Egypt had no intention of joining a Middle East Defence Pact with the Western Powers, and the possibility of evacuation therefore depended on Egypt's willingness to maintain the base in readiness for war. Although the Egyptian leaders let it be known that they were prepared to do this, it was never publicly admitted until April, when Colonel Nasser in an interview with *The Observer* (12 April 1953) and the Arab News Agency stated Egyptian policy regarding the zone.

In this interview, Colonel Nasser stated that the Egyptian Government wanted amicable relations with the British and would only resort to armed struggle if compelled thereto, for struggle would ruin their internal plans. They were willing 'to begin tomorrow discussions for a just and equitable solution of the Canal Zone question' but had 'lost faith in Britain's willingness to negotiate a just solution'. He went on to say:

'You ask what is our policy. It is evacuation—complete independence. But we also want the Canal Zone base to function efficiently and we are willing to discuss how its efficiency can be preserved as an Egyptian base.

'We are soldiers and we are realists. We know that we cannot maintain such an immense base as we are now. We know that we will want technicians and as they are British installations we are

prepared to accept British technicians. On the other hand, it must be an Egyptian base and therefore we must have the right to seek technical aid elsewhere. This will not be important if Britain co-operates sincerely with us. If Britain thinks that under the guise of technicians she can maintain her occupation, it is, of course, useless to discuss the question. If she is willing to look at the matter from our interests as well as her own and discover exactly what is needed, we can talk. We might fail to agree but we can try.

'Again, you ask about Middle East defence. To our way of thinking, regional defence is not something written on paper. I believe it is true that all the Arab countries want to build up their defences. At the moment, they are weak. If we all get help we will build up our strength. There will be strategic dispositions which will be to the advantage of our friends. We could not build up such defences except with the help of our friends. It comes down to that in the end. Who are to be our friends?'

This statement of policy made plain the possibility of negotiations, by stating that guerrillas and the like were a last resort which Egypt would be reluctant to adopt; that Egypt wanted to maintain the base and knew she was not ready to do so without help; that opposition to the Middle East Defence Pact was not opposition to the West, as Egypt saw the possibility of co-operation developing through Arab-owned defences. One part of the interview was distinctly anti-Communist. None of this was new to the British Embassy, for the principal diplomats had been led to understand that this was Egyptian policy; but it was important that Colonel Nasser allowed the statement of these views to be published in Egypt and abroad. It was, however, significant that the reference to Egypt's willingness to have British technicians was deleted from the interview as published in Cairo. It revealed the point on which the Egyptian leaders were most sensitive, and although, in subsequent negotiations, they agreed to have British technical aid, the British demand for technicians in uniform might well have taken more account of this sensitivity.

The Egyptian policy has not varied from this statement up to the present day. On 15 April 1953 Britain and Egypt agreed to begin negotiations, and their opening on 27 April was preceded by a statement by Colonel Anwar Sadat, a member of the Council of Revolution, to the effect that Egypt would guarantee the security and neutrality of the Canal Zone at all times. Two days earlier Colonel Nasser had shown how Egypt was thinking by speaking of

lective security pact stemming from the Canal Zone

f the propitious start, the negotiations broke down by
six meetings. Conscious that the greatest impediment
ons in Egypt was the nationalist propaganda which was
ound them, the British proposed that five technical
should be formed to draft a workable plan for evacua-
aintenance on which the final agreement would be
Egyptians at first agreed to this, but it became appar-
rafting the terms of reference for these committees the
overnment was asking for a settlement in advance.
gyptian side found the British wanted broad terms of
ey consulted Nagib el-Hilali who, while Premier in
ked the British for a preliminary statement on evacua-
negotiations opened. Hilali sent the Egyptian negotia-
hich, in effect, warned them against the dangers of the
egotiations envisaged and, on the strength of this note,
is felt their suspicions of British intentions were con-
British approach was, to the British mind, sensible,
d to help the Egyptians as much as themselves. It was
r, suitable to the Egyptian mind, which needed to be
l to face the national opposition which negotiations
ed. The Egyptian leaders would have found it difficult
ngthy, secret, technical discussions which would in-
concentrated on the British demand for maintenance
ather than on their own demand for evacuation.
sphere deteriorated rapidly after the breakdown. On
neral Nagib spoke of Egypt 'washing her hands' of
and there were fiery speeches against the British.
Churchill gave a salutary warning in the House of
ext day that force would be met by force. The British
ought it necessary to advise the British people in
women and children and any who had no pressing
y in the country would be wise to go back to England,
ce was taken by a large number of people. Mr Selwyn
e House of Commons about the increasing number of
nts in the Canal Zone. It was notable, however, that
sser's reply to him on 13 May was studied in its
nd seemed to hint that the hope of a negotiated settle-
t been abandoned.
ates support for Britain was made clearer by Mr Foster

Dulles, who on 10 May began a tour of the Near East from Cairo. He issued a statement which in its support of the essentials of the British case came as an unpleasant surprise to most Egyptians. The United States Ambassador in Cairo, Mr Jefferson Caffrey, had since the troubles of 1951 adopted the role of mediator who would, by his friendship for both sides, adjust the differences between them. While this was at times useful, its overall effect was to convince the Egyptians that United States sympathies were with them and that they could be used to bring pressure to bear on Britain to accept Egyptian demands. In practice, the United States did press for concessions from Britain, and the Egyptian side knew it. Events have shown that Britain was ready to take the risks which the United States advocated. In its broad lines, American policy was neither wrong nor very different from Britain's. But there were times when it seemed too confident of the benefits of a sacrificial gesture; and, in any case, it was often unfortunate that the views of the American Embassy became known in Egypt, where this knowledge strengthened Egyptian resistance to constructive compromise and weakened British influence in securing it. Mr Dulles's statement did not alter the U.S. diplomatic method in Cairo, which continued almost unchanged until the end of the year, when a more direct support for Britain became apparent.

The United States wanted the base without the unpleasantness which went with it; but she had reasonable ground for complaint that British policy was itself frequently too rigid. Sir Ralph Stevenson, physically sick but far from mentally exhausted, went home for leave and medical attention in June, and although he left behind him a competent and experienced Minister, Mr Michael Creswell, reinforced by General Sir Brian Robertson, former Commander-in-Chief of Land Forces, Middle East, Mr Robert Hankey was sent out as Minister in charge of the diplomatic mission and briefed to a line which was manifestly unreal in terms of the situation in Egypt. Mr Hankey's period in Cairo can be described as one of progressive education back to the policy which Sir Brian Robertson and Sir Ralph Stevenson had advocated. This carried the Anglo-Egyptian dispute through the informal lunch and dinner negotiations of the summer which culminated in the second breakdown of 21 October.

This breakdown was not complete, for the discussions had progressed very far towards a settlement. It had been agreed that the British would withdraw their troops in eighteen months and would

provide 4,000 technicians for the next five and a half years to help the Egyptians to maintain the base. The Egyptians had agreed that there would be automatic re-entry for British troops in the case of any attack on a State which was a member of the Arab Collective Security Pact. There were a number of outstanding differences, but the conflict in what has become known as the 'heads of agreement' was concentrated on two points. The British considered that the terms for re-entry were too narrow and had proposed—an idea given to them by the Egyptian Foreign Minister—that the decision to re-enter should depend upon a resolution of the United Nations. The Egyptian negotiators rejected this outright and have never since varied their objection. The second point concerned the right of British technicians to wear uniform. To judge by statements in the London press, the British seemed to be deliberately misinterpreting the Egyptian position. The Egyptian Government had agreed to the total evacuation of British troops and the provision by Britain of 4,000 technicians. They had not accepted the retention of 4,000 British troops. If Britain sent soldier-technicians that was Britain's affair; Egypt had not accepted them as soldiers and therefore could not accept that they should wear uniform. The Egyptian leaders admitted that there might be occasions when they might wear uniform, but this could not be put into the agreement, as it would have been tantamount to admitting that evacuation was not complete at the end of eighteen months.

Thus the position remains, although since then, in the most tenuous of contacts, it has been suggested that Egypt might be able to broaden her clause on re-entry and that Britain might be able to abandon her demand for uniforms. The impediment which arose when these hopeful ideas were emerging was the internal crisis over General Nagib's presidency.[1] The Council of the Revolution has apparently asserted its power in Egypt, with Colonel Nasser as its leader, but the question of the stability of the regime seems one which must be answered before a new attempt at a settlement is made.

That British troops will evacuate Egypt in the near future seems beyond doubt. The Generals are agreed that the Canal Zone is strategically uneconomic under present conditions in which, roughly speaking, about 50,000 troops are needed to provide the security for the 30,000 who maintain the base. The Treasury, by

[1] See 'Egypt since the Coup d'Etat of 1952', in *The World Today*, April 1954.

its unwillingness to spend money on the base until the Foreign Office can promise it will be retained, is encouraging a steady deterioration of the base installations. Furthermore, it is widely admitted that British diplomacy is permanently on the defensive in the Middle East as long as the problem is unsolved. It is almost impossible to find an informed person in the Middle East who will seriously argue for the retention of the Canal Zone base by British troops, come what may. Indeed, the soldier's answer to this policy is simply that they can provide by military means no more than a short-term solution to the problem. The argument that by the reduction of the garrison to brigade or division strength it would be possible to pull back on a small, secure perimeter on the bitter lakes is usually considered unsound by the soldiers because they would still be left to hold the line of communication for a hundred miles along the Canal from Port Said to Suez.

Ultimately, the question of stability in Egypt itself would produce the crisis for Britain. As long as the Anglo-Egyptian problem remains to bedevil Egypt's internal politics no Government there will be secure. The Army rescued the country from the chaos which was postponed from 26 January 1952, but were the Army regime to break down no one knows what would be the consequences. In such an internal collapse the British Army in the Canal Zone would be pushed, by the threat to the British community in the delta and its own security requirements, to actions far beyond anything at present contemplated or desired. It is this which makes the present assessment of the stability of the Nasser regime difficult. To say that the Nasser regime is stable is to go beyond the evidence; but an integral part of the evidence is the relationship with Britain. Without a settlement, as far as can be judged by the present situation, Nasser is not stable; but neither is any other Government which imagination might conjure up for Egypt.

It is evident from the experience of negotiations with the present and former Egyptian Governments that Egypt desires more than the evacuation of British troops. The realism of the military regime has clearly led it to seek the political and economic benefits of a settlement, but it has not felt strong enough to pursue its aim irrespective of the established opinion in the urban areas of Egypt. This opinion is firmly resolved on the evacuation of British troops and the avoidance of any commitment which would easily allow their re-entry. British insistence on the retention of troops has been modified to the point of virtual extinction, but Egypt, although in

osition in that, in the long run, it is she who has to ask
ı the West, has always been able to make it appear that
ıeeking her bounty. The position is all the more clear
ıt moment, when Britain is apparently willing to con-
itary power in Egypt. Were she to declare this inten-
ıilaterally, and without bargaining for the remainder
which will only have validity as long as an Egyptian
is willing to honour them, it would be for Egypt to
he benefits, economic and military, which she would
he West. While military opinion agrees that the Canal
till has immense value, it no longer considers it un-
essential. In these circumstances the position of
t least of the West, is strong in Egypt. The demo-
can, at a pinch, do without Egypt; but it is extremely
ether Egypt can do without the West.

T. R. L.

viet Cultural Collaboration

ole of the Friendship Societies in the Satellite States

nost striking features of Malenkov's foreign policy, in
ı that of Stalin, is his apparent willingness for greater
ı the outer world. Russia, it would seem, may now
he seats reserved for her which Stalin's morose iso-
ısed to be left vacant. Everywhere broken contacts are
ılly re-established. The Russians now accept practic-
ıtions, they return visits, they attend trade fairs, they
he I.L.O., and on 21 April 1954 their decision to join
United Nations Educational, Cultural, and Scientific
ı, was made known.
e has been a considerable change since November
on the occasion of the first Unesco Congress in Paris
speaking on behalf of France, expressed the regrets
sence of the U.S.S.R. 'All of us here deplore,' he said,
on, which we hope will be only temporary, of a great
reat ally, whose co-operation is indispensable.'

'VOKS' AND THE PRE-WAR FRIENDSHIP SOCIETIES

The Soviet Government's policy of abstention was generally accounted for by the fear of any unsupervised contact of Soviet citizens with 'bourgeois' foreigners. For that reason Russia limited her international contacts to the indispensable minimum. Participation in Unesco did not seem to be indispensable, especially since the U.S.S.R. already possessed an organization which might serve as a basis for a sort of separate 'Unesco', and whose aim was to orientate cultural exchanges with foreigners in such a way as to conform to the U.S.S.R.'s political and ideological interests. This organization, the Soviet Society for Cultural Relations Abroad (VOKS), was founded in 1925 with the aim of furthering the exchange of ideas and visits between the U.S.S.R. and the capitalist countries. VOKS, whose head offices were partly in Moscow and partly in Leningrad, had separate British, American, Slav, French, Scandinavian, Eastern, and other sections, conducted by 'specialists' in each particular field; and it also possessed offices in Eastern Europe and the Near East (notably at Teheran). A 'VOKS Committee' was created for every sphere of cultural life, consisting of prominent personalities who drew up programmes, received foreign guests, and went on Soviet delegations to other countries [1]

The most effective auxiliaries of VOKS were the 'Societies for Friendship with the U.S.S.R.' organized in various countries The principal aim of these Societies was to win new friends for the Soviet Union by presenting a picture of the country which would be acceptable even to non-Communists. Their activities made great advances after 1934, during the period of 'rapprochement' between the U.S.S.R. and the West. Under the guidance of VOKS, and acting in association with Communist or near-Communist political and trade union organizations, they carried on a by no means negligible work for the diffusion of Soviet publications amongst widely varied circles.

The advent of the war put a temporary end to the activities of these societies in Europe. They were reconstituted after the victory over Germany, which opened up unhoped-for prospects to Soviet cultural influence. The offices of VOKS were besieged from all quarters with requests for Soviet films, books, lecturers, and artists. Russia was the fashion. The pre-war Friendship Societies were reorganized on a new basis; they became veritable 'mass

[1] For VOKS' activities see *The Soviet Propaganda Program*, Report to the Senate Committee on Foreign Affairs, Washington 1952.

organizations', with a vast personnel and backed by considerable funds. Thus, for example, the 'Association France—U.R.S.S.', founded in 1945 under the chairmanship of Professor F. Joliot-Curie, was a very much more important affair than the 'Association française des Amis de l'U.R.S.S.', founded in 1925 by Henri Barbusse, which by 1939 possessed a membership of 80,000. The central administration of VOKS had to expand more and more to cope with this new situation. It is easy to understand how in these circumstances the U.S.S.R. from 1945 onwards was tempted to go its own way and organize its world propaganda and intellectual exchanges by its own methods.

THE FRIENDSHIP SOCIETIES BEHIND THE IRON CURTAIN

Though the work of all the Societies for Friendship with the U.S.S.R. was in every instance centralized under VOKS, a perceptible difference soon arose between the activities of Societies in the Western countries and those in the Popular Democracies. In Western Europe, the main object of the Societies is to supplement on a cultural plane the propaganda of the Communist Party, stressing the importance of exchanges based on reciprocity. Thus, for example, the President of VOKS, Andrei Denisov, in his appeal to France during the friendship campaign of the Societé France-U.S.S R. in October 1953, emphasized the 'deep respect of the Soviet citizen for the cultural heritage of the French nation'.

The situation was, and still remains, very different in the People's Democracies. In these countries, where traditionally culture tended towards the West, the first task of the Friendship Societies organized after the liberation was to fill the place left vacant by German influence. Subsequently, as Russia, acting through the local Communist Parties, gradually tightened her control, dismantling one by one all the political and economic positions held by the West, the field of action of the Societies widened. Their task was no longer limited to mere exchanges:[1] instead, they were to assure the virtual cultural monopoly of Soviet Russia.

PERSONNEL AND ORGANIZATION OF THE FRIENDSHIP SOCIETIES

The Friendship Societies were not the only agencies charged with preparing the ground for the Soviet cultural monopoly. The

[1] Vladimir Dedijer, in his book *Tito Speaks* (London, 1953, p. 275), quotes a figure which illustrates the disproportionately unilateral character of the cultural relations sponsored by the U.S S.R. with these countries: 'We published 1,850 Soviet books, they published two of ours.'

Communist Parties, which following on nationalization gradually gained control of all the key positions in the countries' cultural life (publishing houses, theatres, concert societies, Academies, and so on), were to be its main artificers. Moreover, from 1949 onwards the Ministries and other organs concerned with propaganda and with the organization of cultural life were all in the hands of the Communists.[1] A network of cultural agreements between the members of the Soviet bloc then led to the creation of a sort of cultural 'pool', in which the U.S.S.R. held a privileged position

In the eyes of the leaders, Russian Soviet culture was not like other cultures. It was 'the most advanced in the world', the 'culture of socialism', and its popularization demanded especial care. This task was entrusted to the Friendship Societies. They addressed themselves primarily to non-Communists. It is just conceivable, their propagandists explain, that one may not have been touched by Communist grace; but not to want to *know* about Russia's liberating role, her language, her technical progress, and her works of art, would be to manifest a truly incomprehensible hostility Thus by a combination of devious proselytization and half-concealed threats the Friendship Societies succeeded in extending their influence till it embraced a considerable part of the population. The following table shows the most recent available statistics of membership in the various countries.

Country	*Date*	*Number of Sections*	*Members*
Bulgaria	25 February 1953	5,100	1,800,000
Poland	May 1953	75,000	5,500,000
	(1945)		(10,000)
Rumania	17 October 1953	20,000	4,900,000
Czechoslovakia	May 1951	—	1,890,000
Eastern Germany	14 May 1953	25,000	3,000,000
Hungary	February 1953	8,243	1,300,000
	(December 1950)	(2,893)	(748,000)
China	16 November 1952	120,000	38,900,000

All these societies are organized after the same model. At the base there are sections, or local committees, directed by a bureau

[1] In Hungary, after 1949 the carrying out of Communist directives in the various cultural spheres was entrusted to a 'Ministry of Popular Culture' (as distinct from the Ministry of Education), with the theoretician Joseph Révai as its first Minister. Similarly in Poland, a 'Ministry of Culture and Art' ensured the co-ordination and subordination of cultural activities. In Bulgaria and Rumania, and to some extent in Czechoslovakia, after the Liberation committees of the arts and sciences were set up, with similar objectives and based on the Soviet model. This situation continued till 1953, when, after Stalin's death, the U.S.S.R. concentrated the administration of cultural activities in the new Ministry of Culture entrusted to Ponomarenko. Since then the Popular Democracies have all gradually adapted their system to the new model.

ten people. The aim is to form a section in every busi-
n, office, school, or other organization. Above this there
nental committees (regional or district), each with its
ı, whose task is to co-ordinate the work of the local
ıstly, at the top there is the central bureau, whose chair-
nocratically' elected at the national congress.
sidents and Vice-Presidents of the Societies are
orative personalities, such as Professor Nejedly, in
akia; Liu Shao-chı, Vice-Chairman of the Chinese
ıt Council; Cyrankiewicz, the Polish Vice-Premier;
ungarian Minister of Justice; and so on. But, as in the
Parties, the real work ıs done by the Secretariat of the
mmittee and is under the supervision of the permanent
ıves of VOKS: V. Z. Kuzmenko for Hungary, Ivan
r Poland, D. E. Belov for Rumania. It is these repre-
of VOKS who appear to be the real 'directors' of the
s—in the same way that the true heads of the various
Parties, at least in the satellite countries, are not the
ders, such as Rakosí, Gheorghiu Dej, or Bıerut, but the
ives of the Communist Party of the Soviet Union, for
serve as a screen.

EACHING OF RUSSIAN—THE 'ZONAL LANGUAGE'

cieties carry on numerous actıvities aimed at 'promoting
rs of the population the great idea of friendshıp and
vıth the Sovıet people'. One of their most important
n encouraging the teaching of the Russıan language
ng people after they leave school. A serıous effort is
e to carry out Stalin's wısh, expressed ın 1950, that
ould become a 'zonal language'. 'Everyone,' wrote the
bodne Slovo (11 September 1951), 'who is striving to
ress, freedom, and world peace, should know Russian,
become the instrument for understandıng of socıalısm.'
emphasizes that a knowledge of Russian is just as
or scholars and officials as for workers and mechanics,
us be able to read Soviet technical literature.
951 the Union for Czechoslovak-Soviet Friendship
ed more than 15,000 courses with 300,000 students, of
,000 were workers in industry. In 1953 there were
hers of Russian in Czechoslovakia; 5,000 gramophone
re issued to facilitate the teaching of Russian; and 413

different kinds of schoolbooks were printed in Russian. In China the campaign is only at the beginning (there are 80 courses with 21,000 students), but in the Eastern European countries rapid progress has been made: Rumania had 7,000 courses in 1951, Hungary 3,600 courses in 1953, with 45,000 students, of whom 15,000 were in Budapest, while in Bulgaria over 100,000 were studying Russian in 1953, and in the previous year 40,000 students completed the highest courses. Throughout the countries of the Soviet bloc knowledge of Russian is tending to become an indispensable condition for political and social promotion.[1]

The progress achieved in the knowledge of Russian can be measured by the increase in the number of subscriptions to Soviet newspapers and periodicals. In July 1953 Soviet newspapers had 280,000 subscribers in Czechoslovakia,[2] while the sale of Russian books had increased by 2,000 per cent since 1947. The Union for Czechoslovak-Soviet Friendship has founded Russian libraries in twenty-two towns. In Bulgaria there are 150,000 subscribers to 244 Russian newspapers and periodicals, while in Poland 700,000 people subscribe to 220 newspapers and periodicals.[3]

TRANSLATIONS AND TECHNICAL EXCHANGES

But the publication or diffusion of Soviet books in Russian constitutes only a small part of the Friendship Societies' activities Efforts are also made to secure a greater knowledge of Russian literature through translations. Apart from their official organs, most of the Friendship Societies publish reviews, documentation and other pamphlets, books, and posters. They also assist the various publishing houses of the Party, the trade unions, and the State to find their way among Soviet publications and discover books for translation. A growing proportion of translations from the Russian now appears in each satellite country's book production.

For example, in 1951 in Czechoslovakia alone 1,500 Soviet books were translated and 21 million copies printed. In the same year in China 500 books were translated, and in Eastern Germany 6,000. In Hungary during the course of the last nine years 1,100 Soviet books have been published in 9 million copies.[4] In Poland,

[1] Cf. article by A. Pierre, 'Le russe doit devenir la langue commune de la zone d'influence soviétique', in *Le Monde*, 9 October 1951.

[2] Ceteka (Czechoslovak News Agency), 14 July 1953.

[3] Cf. in this connection an article in *Borba* (Belgrade), 5 August 1952.

[4] *Szabad Nep*, 22 February 1954.

up to 30 September 1952, Polish translations of Soviet books had reached 66 million copies, 7½ million having appeared between January and September 1952.[1] 'Russian books play an important part in the life of our country,' writes *Trybuna Ludu*. 'They demonstrate to the reader the development and success of the world's first socialist State, and help him to profit by the experience and the tremendous achievements of the Soviet Union.' Among the works translated *Trybuna Ludu* mentions the *Short History of the Communist Party of the Soviet Union (Bolsheviks)* (1,263,000 copies), the complete works of Lenin (8,282,370 copies) and Stalin (7,140,500 copies), and the works of Leo and Alexis Tolstoi, Mayakovsky, and others.

It is significant to note how propaganda in favour of Soviet literature stresses its tonic virtues. For example, the whole Polish press recently gave publicity to the case of a Warsaw student, Casimir Koldziski, who three years ago had had his hands amputated. A friend made him read *The Story of a True Man*, by Boris Polevoi, and he found in the example of Maressiev, an airman who lost both feet, the courage needed to surmount his own trial.

One of the original features of the work of the Friendship Societies in the satellite countries is the emphasis laid—particularly since their adoption of long-term industrial plans—on the exchange of views between scholars and technicians. The Societies, in fact, do everything to encourage the economic authorities to introduce Soviet methods of research and work. Thus, for instance, in Bulgaria the Friendship Association helps the trade unions and the Minister of Agriculture to organize education courses for Stakhanovites and study-groups for agrarian technicians. In support of this work the Association in Bulgaria published twenty-one technical pamphlets in 1952. In Hungary, the Society's journal *Uj Vilag* (New World) took the initiative in advocating a new quick threshing technique after the Brediuk method. In Eastern Germany, where till 17 June 1953 productivity was the main centre of interest, the Society organized thousands of groups to study Soviet methods of work. It was under the aegis of the German-Soviet Society that the Stakhanovite builder V. Koroliov came to Berlin to teach his methods to the builders of the Stalin-Allee.

In the country 'Michurin' or 'Lysenko' circles are formed; doctors study the experiments of Pavlov. It can be said, in general, that a Friendship Society tries to reach people through their pro-

[1] *Trybuna Ludu*, 15 November 1952.

fessional activities just as much as through their artistic and intellectual needs. No trade or profession escapes the attention of the Societies' specialists, who are in close touch with all the professional and other organizations.

THE SOCIETIES AND POLITICAL PROPAGANDA

But the activities of the Friendship Societies are not confined to the cultural and technical spheres alone. The Societies also serve an eminently political end—the propagation of pro-Sovietism—by means which are largely, though not exclusively, cultural. They frequently lend their aid to the Party organizations for the diffusion of propaganda literature among the most widely diverse circles.[1] Thus, in his message to the fourth congress of the German-Soviet Society, Wilhelm Pieck asked the Society to 'assure the means of popularizing the immortal work of Stalin'. On the same occasion Grotewohl declared that the Society should work to the end that 'the Bonn and E.D.C. treaties would become scraps of paper'. The Hungarian-Soviet Society at its second national congress (18-19 February 1953) adopted the aim of 'popularizing the documents of the 19th Communist Party Congress of the U.S.S.R. and employing every means for the education of the masses'. Commenting on the results of the fourth congress of the Union of Bulgarian-Soviet Associations, the Government organ *Otetchestven Front* (9 April 1952) emphasized that these Associations 'should participate even more actively in the popular struggle for peace'. According to *Neuer Weg* (Bucarest, 7 October 1953), last year's 'Friendship Month' had as its slogan the struggle for carrying out the decisions of the plenary session of the Rumanian Workers' Party's Central Committee concerning the economic programme which 'will lead to a rapid development of agriculture and of the consumer goods industry'. In Eastern Germany, the slogans published for the 1953 Friendship Month (November) stressed the importance of the Pieck-Malenkov agreements of August 1953 for the realization of 'unity and of German prosperity'.

Thus while the Societies strive to make use of other social and olitical organizations to achieve their ends, they themselves are also utilized by the political organizations and the Government to publicize their various propaganda campaigns.

[1] On the political work of the Societies see R. Ratković, 'The "cultural" policy of the Soviet Government' (*Borba*, Belgrade, 23 December 1951).

rtant activity is the organization of lectures on different
ioviet life. The lecturers are preferably people who have
sited the Soviet Union. The figures published about
:ings are sometimes impressive. Thus in Bulgaria
tings were held in 1951, attended by 10½ million people
population is 6,319,000). In China, 22,000 meetings
between September 1951 and August 1952, with a total
of 14 million. In Poland, 250,000 lectures were organ-
z on achievements in Soviet culture, science, and art.
endship Societies also make use of the cinema to
the Soviet Union. They are not concerned with the
. diffusion of Soviet films, which is itself organized on a
but they often arrange for films to be shown at their
ind they also have mobile film units. The Bulgarian
twenty-five cinema units of this kind, and in the first
of 1952 some 8,500 shows of Soviet films were given,
,640 spectators. In China the Society's 200 mobile
owed 18,000 films of varying length, before 32 million

rt and book exhibitions, exhibitions of photographs and
illustrate particular aspects of Soviet life, such as in-
agricultural progress, kolkhoz organization, social se-
history of the Revolution, or the lives of Lenin and

the Hungarian-U.S.S.R. Association organized ninety-
Exhibitions' which drew 2,690,000 visitors. During the
nths of the same year 376 major and 3,364 smaller ex-
photographs of the U.S.S.R. were organized. In 1951
ninety-nine major exhibitions attracted 1½ million
while 49 million visited the 10,000 smaller exhibitions.
ndship lorries and vans also travel up and down the
untries bringing cinematograph shows, photographs,
loud-speakers broadcasting Russian songs.
ture of the activities of the Friendship Societies is
by an intensive two-way traffic of delegations between
R. and other countries. These journeys are prepared
:are; the 'specialists' in cultural exchanges draw up the
l 'map' of their country and arrange that the representa-
arts and professions shall all be able to convince them-
rio visu of the superiority of Soviet culture.

Thus we find musicians, artists, writers, scholars of all kinds, technicians, Stakhanovites, workers, agricultural experts, teachers, doctors, jurists, and so on, all trooping to the Soviet Union, where they are put into touch by VOKS with their Soviet colleagues. Then the latter, in their turn, pay a return visit.

A typical account of one of these journeys, organized by the Hungarian-Soviet Society, appeared in *Szabad Nep* (7 October 1953). A delegation of twelve had spent four weeks in the Soviet Union, making a tour of over 10,000 km. The members, who included an artist, a writer, and a well-known Stakhanovite (the others were regional secretaries of the Society), visited Moscow, Sverdlovsk, Stalingrad, Rostov, Kiev, and Leningrad. They visited factories, scientific institutions, schools, cultural institutes, a kolkhoz, and a mechanization centre. 'The literature and documentation which they amassed during their journey,' writes *Szabad Nep*, 'will provide our Society with instructive material for many months to come.' On their return the delegates set about organizing a large exhibition, entitled 'Man, the supreme factor under the Socialist regime', which was opened on 7 November The writer who took part in the trip—Ernest Urban—is to publish his impressions in the form of a 'lyric diary'. His fellow-traveller, the painter Domanovsky, is preparing a 'scheme for the reorganization of higher education in the arts', based on what he saw in Russia. All the delegates will give accounts of their impressions.

THE 'FRIENDSHIP MONTHS'

The activities of the Friendship Societies are spread out over the whole year. But to make a break in the daily routine, and to give a festive air to the exchanges, a 'Month of Friendship with the U.S.S.R.' has been started in each country. This 'Month' is generally marked by the arrival of a widely representative Soviet cultural delegation, including painters, scholars, and specialist workers, and sometimes even accompanied by groups of artistes—choirs, orchestras, or theatrical companies. There are music and film festivals, exhibitions, lectures, dramatic performances, demonstrations of new techniques, visits to provincial towns, and banquets. Apart from the traditional national festivals, these 'Friendship Months' are practically the only means of bringing some colour into the austere daily round in the satellite countries.

Local resources are mobilized. 'Each of the Society's groups must choose one of its members to give a lecture on the Soviet

Union,' wrote *Samopomoc Chlopska*, a Warsaw review, on the occasion of the 1952 Friendship Month, coinciding with the commemoration of the October Revolution. 'Each section is to organize discussions on the works of Soviet writers. The theatres must put on Soviet plays . . . and even the sick must get hold of some publications on Soviet subjects. The libraries of our various groups must organize exhibitions of Soviet books. . . Journalists must prepare special issues devoted to Polish-Soviet friendship. . . Children will place flowers on the graves of Polish and Soviet soldiers.'

In Rumania during the Friendship Month of 1952 there were 65,719 manifestations of various kinds, attended by 7,700,000 people; the result was 929,000 new recruits for the Society.[1] The 1953 Soviet-Rumanian Friendship Month (7 October–7 November) included a Soviet Technique Day and a Soviet Book Week. At a 'popular fête' held at Reshitsa, attended by 10,000 workers and peasants, performances were given by folk dramatic groups, and matches took place in the new stadium. Folklore festivals were also organized at Dej, Simeria, and elsewhere.

It is interesting to note that the 1953 Soviet-Rumanian Friendship Month took place under the auspices of the 'new economic orientation'—that is to say, of the 'measures destined to improve, in a short space of time, the standard of living of the workers'. Similarly in Eastern Germany, where the 1953 Friendship Month began on 1 November in an atmosphere of considerable depression, the manifestations, under the patronage of Otto Nuschke, had as their slogan: 'Life is fine because we are building a happy future for our people.' One of the twenty-three 'watchwords' issued on 23 October 1953 by the Preparatory Committee of the German-Soviet Friendship Month ran as follows: 'Thanks to the creative application of Soviet methods in our industry, we shall produce more, better, and cheaper consumer goods.'

THE EFFECTIVENESS OF THE FRIENDSHIP SOCIETIES

From the foregoing it will be seen that the Friendship Societies are working methodically towards the realization of their aim. That aim is, in the long run, the integration of the greatest possible number of countries, and especially of the satellite countries, within the cultural sphere of the Soviet Union. These Societies, taken as a whole, form an extremely powerful machine—probably the most powerful of any organization in the world for the diffu-

[1] *Neuer Weg*, Bucarest, 7 October 1953.

sion of culture. The question nevertheless arises wl
results obtained, in the countries to which we have li
inquiry, are proportionate to the amount of systematic
money, and energy expanded on them.

Recalling the events of last summer in Eastern Germ
scepticism on this score may appear to be justified. The
17 June in fact took place just a month after the Berlin
the German-Soviet Friendship Society, held from 16 1
in the presence of 1,400 German and foreign delegate:
occasion the President of the Society, Friedrich Ebert,
on its activities, recounted some really impressive
groups and study circles started in more than 25,000 fac
other concerns, 3 million members, and so on. Now, it
that only a few weeks later hundreds of thousands of the
of the Soviet Union took part in the strikes and man
directed against the Grotewohl Government and the
Ebert himself had in fact to admit that considerable
had been encountered in introducing into the factories th
ly Day of the Soviet Innovator'; and he cited as typical th
big metallurgical factory where 'the works committee
completely indifferent to the excellent work accomplish
two Soviet engineers Mikhailovich and Shulgin'.

It seems, in fact, likely that widespread anti-Soviet s
in the satellite countries do impede the success of the F
Societies. Another obstacle is the monotonous charac
propaganda, which, despite the great variety of topic:
remains always basically the same. Lastly, the propagan
great difficulty in gaining credence for the legend of the
superiority of Soviet culture'. When Herr Ebert felt it i
on him to proclaim that 'thanks to the use made of Sov
ence it has been possible to raise the scientific level of th
Universities', he certainly did not succeed in convi
audience. Soviet science no doubt excels in many sph
between that and claiming it to be superior to the scie
of Germany, there is a gulf that the Friendship special
have been wise, even in their own interests, not to cross

Having said this, the effectiveness of the unremi
systematic campaign of the Societies should not be u
mated. They combat unweariyingly, and often not withou
that hostility to the U.S.S.R. which, in the subjected co
based largely on national sentiment and on a variety of

and social grievances. Even those who are implacably hostile to the tenets and political practice of Communism cannot remain absolutely indifferent to the works of Tolstoy and Gorki, the music of Moussorgski, or the films of Eisenstein. Deprived of any other spiritual nourishment, the citizens of the satellite countries, however great may be their repugnance at seeing themselves russified (did not their ancestors vigorously resist Germanization for centuries?), cannot help finding palatable certain types of Russian and Soviet pabulum set before them. Now, that is precisely one of the aims of the Soviet propagandists: inspired by Pavlov's psychology, they strive to associate in the minds of their audience the word 'Russian' with certain definite human and intellectual pleasures.

Certainly the pervasive consciousness of something forced and artificial in this conditioning inevitably reduces its efficacy. The basic situation of these people who are to be seduced after having been rendered subject resembles that described by Vercors in his *Silence de la Mer* (though Vercors there depicted a position so extreme in its rigours as to be almost unreal). But the task of the Friendship Societies in the countries under Communist dictatorship can be summed up, precisely, as an effort to break the silence of the soul, to solicit a response and captivate the sensibilities. It is a vast undertaking of long-term re-education, and one that can be countered only by Western efforts in the same spheres.

F. F.

The Spanish Zone of Morocco

It is sometimes suggested that Spain exercises authority in Morocco simply by courtesy of France. This is of course a misrepresentation. In order to be in a position to negotiate the protectorate treaty with the Sultan, France in 1904 signed an agreement with Spain in which she undertook that the latter should exercise in a given area of north Morocco whatever powers she herself might acquire in the rest of the country. It is nevertheless undoubtedly an embarrassment to the Spanish Government that they have no direct treaty with the Sultan. The lack of this gives Moroccan nationalists an opening to query the legal basis of the

Spanish Protectorate *vis-à-vis* the Sherifian Governm
apologists, in consequence, feel constrained to go out
to assert the equal and independent status of the S
within the general framework of Moroccan unity. T
doubtedly one factor, though not the only one, whic
recent emphatic assertion of the Spanish point of view
to the happenings in French Morocco.

The Spanish Zone covers about a tenth of the coun
tains about a million inhabitants, mainly Berbers. S
War ended in 1927 it has been almost completely ig
outside world, while attention has been concentrated
spectacular development and then on the political pro
French Zone. Recent French books dealing with t
Morocco, of which there are many, for the most par
reference at all to the million Moroccans who live in
controlled area. It is safe to say that it was largely in pr
this attitude that the Spanish High Commissioner, Li
Valiño, recently made the claim, certainly exagge
opposite sense, that Tetuan was the spiritual centre
General Valiño, who enjoys a high reputation as a
moreover, holds perhaps the second place in the pre
regime, could not be expected to forget that Spain a
lims of Morocco have a history of close relations ext
more than a thousand years. There has in fact never
when governments on the north or the south of th
Gibraltar, whether Roman, Byzantine, Visigothic,
Christian, have not held at least some territory on
shore. And though the Muslim and Christian stat
fought one another intermittently for centuries, ther
same time also a tradition of 'convivencia'—a living
Christians and Muslims within the borders of each sta

These centuries of Spanish history have been stud
by a brilliant series of Spanish Arabic scholars—Cod
Asin Palacios, Gonsalez Palencia, Garcia Gomez, and
by Romance scholars such as Ramón Menendez Pid
two magnificent volumes entitled *La España del Cid* ('
time of the Cid'). The writings of these scholars have
influenced the thinking of Spanish officials about
Moroccan affairs.

While therefore the ostracism of Spain by the We
and her consequent search for allies no doubt played

advances which she has made to the Arab States, it would be a mistake to underrate the attraction which romantic memories of Spanish-Arab civilization exert on certain Spaniards, and not least on officers such as General Franco and General Valiño who have spent a great part of their military career in Morocco and are very proud of their Muslim troops. Views of this nature expressed by Señor Garcia Figueras in his book *Marruecos* can therefore be taken as fairly representative, especially as he is one of the ablest, most energetic, and most experienced members of the Spanish administration in Morocco and has held simultaneously the two key Departments of Native Affairs and of Culture and Education. 'The action of the protectorate,' he writes (p. 295), 'is to help our brother in every way to emerge from the frustration to which various circumstances have reduced him. The speed and certainty with which Morocco recovers her personality and historic greatness will be the measure of the value and efficacy of our work. Spain envisages tomorrow a free and great Moroccan people who will be united with Spain in the closest brotherhood . . . a people who will collaborate with her in a magnificent renaissance of hispano-arabic culture, a collaboration which will be of the greatest benefit to humanity.' Señor Figueras goes on to say that a period of education is inevitable before Moroccans can be fit again to exercise political liberty and meanwhile they must learn to impose a suitable 'rhythm' on what he calls their 'divine impatience'.

The obvious difficulty about this grandiose conception (apart from the view which the French may take of it) is that hispano-arabic civilization was a product of an intensely Muslim Spanish people, while the present culture of Spain is intensely Christian, and it is hard to see how the two peoples can freely co-operate as long as the difference of religion persists. Nevertheless this idea is clearly more acceptable to Moors than the prevailing conception of the French authorities. The latter seems to envisage a Morocco which retains indeed a certain individuality and the use of Arabic speech by Muslims but which will in fact be a multinational State, within the French Union. In it the common factors which unite distinct communities of Europeans, Arabs, Jews, and perhaps Berbers, each possessing political representation as such, will be the French language and French civilization.

This divergence of view is by no means merely theoretical, but is reflected in day-to-day administration. In the French-run schools, French is the language of instruction in all classes, except for the

Arabic language which is taught as a 'subject'. In the Spanish Zone, Arabic is the language of instruction for all classes (at least in theory, for Arab teachers are not always available) except for Spanish which is taught as a 'useful language'. There is a difference too in the relative status of the European and Moroccan staff in the Administration schools of Rabat and Tetuan. In the former, the French headmaster is in entire charge and the Moroccan teacher is at best a form-master. In Tetuan, the Moroccan headmaster is the directing element, while the Spanish 'assesor' keeps an eye on administration and the good order of the school. In the Spanish-run schools assimilation is not the objective, and an effort is being made to produce Arabic text-books prepared by Moroccans who have studied in Eastern Arab schools and universities. From 1939 for some years, Moroccan students were actually sent with Government scholarships to study in Egypt; and though this has now been dropped, Moroccans are still free to go at their own expense

Nor have the Spanish authorities ever pursued anything like the 'Berber policy' of the French Residency General, aimed at using the Berbers as a counterpoise to Arab nationalism, though the proportion of Berber-speaking tribesmen is just as great in the Spanish as in the French Zone. On the contrary, the Berbers are taught to speak Arabic.

In Ceuta and Melilla, the Spanish have possessions which are considered part of Spanish territory just as Algeria is considered part of French territory. A Muslim officer from Ceuta, Lieut-General Mizian, has been appointed Captain-General of the Spanish Province of Galicia, a far higher rank and position than has ever been given to any Muslim Algerian in the hundred and twenty years of French rule.

As a background to this policy, Spain has been assiduous in cultivating good relations with the independent Arab States

These notable differences have been concealed from the outer world by the similarity in the administrative organization in the two zones. Just as a French Resident General sits by the Sultan in Rabat and exercises the substance of authority through French Departments and Contrôleurs Civils, so a Spanish High Commissioner sits by the Khalifa or Viceroy in Tetuan and exercises the substance of authority through Spanish 'Delegaciones' (Departments) and 'Interventores' (District Officers). In each case there exists also a façade of Moorish ministers and officials who perpetuate the outward forms of the former independent govern-

ment. Here, too, the Spanish have shown themselves willing to placate nationalist feeling. At one time the position of Minister of Habous (Religious Endowments) in the Spanish Zone was given to the leader of the nationalist Reform Party; this experiment, however, failed, because the nationalists did not consider that the authority given to the office corresponded to its nominal importance. Nationalist leaders, indeed, who are concerned principally with the speedy achievement of national independence, were until the deposition of Muhammad V accustomed to maintain that the position in the Spanish Zone was from their point of view worse than that in the French Zone. They complained that they were debarred from circulating their newspaper, or carrying on any political activity, except in the cities—in which circumstances they preferred to abstain from political work altogether. They were liable, they said, to arbitrary arrest; the system of controlled economy bore hardly on the Moroccan population, and there was economic stagnation instead of the intense activity of the French Zone. In short, they claimed that Spanish professions of goodwill were mere propaganda and not accompanied by any practical measures leading to the goal of independence.

There was, in fact, probably no very great difference between the two zones as regards the difficulties which nationalist propaganda encountered. In the economic field, however, the contrast between the quiet provincialism of the Spanish Zone and the intense economic development of the French was, and is, indeed startling. On the other hand, if wages are much lower, so is the cost of living; nor is the Spanish Zone afflicted to the same extent with the ubiquitous shanty-towns which are the symptom of too rapid industrialization in the French Zone. There are certainly some terrible housing conditions and great poverty, but this applies to Spaniards as well as to Moors; there is not the same glaring contrast which exists between the skyscrapers of European Casablanca and the tin-can hovels of the Moroccan proletariat which surround them. And of course the relative poverty of the Spanish Zone is largely due to its lack of natural resources and is a phenomenon that has existed throughout Moorish history. The Spanish have in fact done in their Zone, according to their resources and its own, very much what the French have done in theirs. 'The pacification,' as Señor Figueras says with justice,[1] 'gave our Zone a unity which it had never known; it made it

[1] *Africa* (Madrid), September–October 1952.

possible to put an end to a manifold and inextricable anarchy; it enabled the life and economy of the Zone to develop and Arab influence to be extended to districts where Arab institutions have not hitherto penetrated. In short it has permitted governmental action on a scale beyond the wildest dream of any Sultan in the nineteenth century.' Since the war a serious effort has been made to develop the Zone, and two five-year plans, involving an expenditure of £5 million, have been devoted to improving agriculture and extending education, irrigation, and hydro-electric works.

These facts have to be taken into account in considering why, during the last few years, the Spanish Zone has been less disturbed politically than the French.

This may of course be due in part to the size of the garrison and in part to the slower tempo of development which has not produced the tensions of the French Zone. But some credit must also be given to Spanish policy and to the personal qualities of the present High Commissioner. General Valiño's decision, on assuming office two years ago, to release certain nationalist leaders who had been imprisoned by his predecessor called for courage, in view of the Spanish tendency, natural in view of past misfortunes, to take no unnecessary risks. He has also recognized that the demand for independence is universal in the towns, though not yet among the country people, and that, if still untimely, it is not unreasonable. He has given strict orders that Moroccan officials should replace Spaniards as soon as qualified candidates are available, and he has no hesitation in sending back to Spain any District Officer whose heart is not in his work. At the same time he has made it a principal objective to cultivate good relations with the Khalifa. Though increasingly anxious about the development of French policy in the neighbouring zone, he continued the policy of good relations which had been inaugurated by his predecessor. Moroccans or Europeans who were objectionable to the French were not admitted to the Spanish Zone and the desire of the nationalists to exploit the cult of the Sultan Muhammad V for the purposes of anti-French propaganda was kept strictly under control.

This was the position when in August last year the French authorities, carrying their policy to its logical conclusion, deposed the Sultan. This action was represented to the world as a yielding to the will of the Moroccan people. It was, however, clear to the

authorities that it was bitterly resented by the great
of the townspeople in the French Zone and by almost
e population of the Spanish Zone. It was also clear that the
uthorities were using the opportunity to impose 'reforms'
to legalize a form of French co-sovereignty, or at least of
nship', in the French Zone and to prepare the way for its
within the French Union. The legal position is very
but any action involving the permanent separation of the
s would conflict with the terms of the Act of Algeciras.
position of the Sultan was the expression of the will of the
should not the opinion of the million subjects of the
the Spanish Zone have also been taken into considera-
quiescence in this unilateral French decision could have
en as a Spanish acknowledgement that neither these
ns nor the Spanish protecting Power had any right to be
d on the future of the country. The agreement of 1904
ulated that the 'action of France with the Moroccan
nent, so far as it concerns the sphere of influence reserved
, will be exercised only after consultation with the Spanish
nent'. It is probable that this provision was only valid
p to the signing of the Treaty of Fez; but it is clear that the
the agreement requires continued consultation on such
and that neither the integrity of the Sultan's domains nor
ous relations between the two protecting Powers can be
d without it. Recognition of the deposition of the Sultan
circumstances could hardly have failed to prejudice
policy and the logical basis of her position in Morocco.
al Valiño's first reaction took the form of a protest at the
in which the decision had been taken. When, however,
oach was made from the French side to restore good
, he permitted and encouraged the formulation of Moorish
n the Spanish Zone in protest against the policy which had
lowed by the French. This demonstration was supported
verwhelming majority of the kaids and notables of the
d had also the approval of the leader of the Reform
Party which is the counterpart and ally of the Istiqlal
the French Zone. Its character of universality was only
lessened by the absence of one or two leading kaids, and
e Khalifa who was represented by his son, on account of
s to which the French press attributed a diplomatic

was presented in which French action was denounced, a flowery tribute paid to the Spanish authorities, and the request made that the Spanish Zone should be regarded as independent of the French Zone as long as the present political conditions continued. This petition was accepted by the High Commissioner who himself expressed his disapproval of the French policy in the strongest terms. A Moroccan delegation later presented the document to the Head of the State in Madrid. 'We are not surprised,' said General Franco, 'that with the political basis of the Protectorate broken by violent French action you bring your protest to us.' Spain, he added, would 'firmly defend the unity of Morocco', rejecting 'de facto situations which go against our feelings'. In time, 'the force of reason will triumph over the unreason of force', and in the meanwhile 'the Moroccan Zone entrusted to our protection will continue under the sovereignty of H.I.H. the Khalifa . . . faithful to the unity of the Empire and the sentiments of the Moroccan people.'[1]

The way for these meetings had certainly been prepared by conversations with Moroccan nationalists and with representatives of the Arab League, whose Assistant Secretary General visited Spain and Spanish Morocco in the weeks preceding the meetings. It is not to be supposed that any promise of independence was made by the Spanish authorities. On the other hand, hopes of a relaxation of restrictions on nationalist activities were no doubt held out, in return for which nationalist criticism of the protectorate regime would be abated. Possibly there was also an understanding that difficulties would no longer be put in the way of the entry into the Spanish Zone of nationalists from the French Zone. Abdulkhaliq Torres, leader of the Reform Party, whose headquarters are in Tetuan, recently explained the position, as he saw it, to a visiting British journalist. It seemed, he said, that, after the French, the role of the Spanish was now becoming important in North Africa. Since the deposition of the Sultan, the Spanish Government was committed to acting with circumspection in the eyes of the Arab League. He then asked his interlocutor to consider in this connection the implications of the Act of Algeciras. In answer to a leading question, he agreed that the Spanish action might be considered as a 'game of cards', but added: 'It can do Spain no harm to better our conditions. Spanish Morocco in any case could never pay Spain a fraction of the economic dividends which the

[1] Radio Madrid, 9 February 1954.

et from their Zone. Anyway we are allowed to publish
paper, *Al Umma*.'[1]
hile Torres' deputy, Tayyib Bennuna, and two other
ts are being tried for attacks on the Spanish High
ioner's policy. It may be that some personal factor is
but the episode suggests that some nationalists still feel
to the sincerity of Spanish intentions. Spokesmen of the
gue have, however, referred favourably to Spain, and the
pan-Arab 'Voice of the Arabs', broadcasting from Cairo,
en of 'Spain stretching out her hand to the Moroccan
o are fighting iniquitous French imperialism' and has
colonialist 'attempts to sow dissension between fighting
and free Spain, in order to destroy Arab-Spanish unity.'[2]
rease in disorder was noted in the French Zone following
n meeting; but the French authorities reacted by promot-
ent radio campaign from Rabat. In this the authorities of
ish Zone have been accused of 'mercilessly expelling
inhabitants to make room for soldiers' and of employing
nd driving the people into prisons and detention camps'.
t was said, 'wished to sever Khalifian Morocco from the
ty of the Sultan; but she had no need to do so in this
she had already done so by backwardness, poverty, and
education, social progress, economy, commerce, and com-
ons' (6 March 1954). 'The thought behind the Tetuan
t is to make the Zone uglier than before. . . They want to
om Moroccan unity and Sherifian sovereignty, which are
ended by the Moroccan nation with the help of France'
ary 1954).
these radio campaigns lies the problem of Morocco's
pain, with many hesitations, pursues a policy which
exclude the possibility of a future independent and re-
orocco; this, she hopes, will be bound to herself by close
nd perhaps political ties. Such a policy has nothing to
t the future position of France in Morocco; and it in-
e conciliation of the Arab League and of the nationalists,
hose opposition France seeks to impose her own solution.
nores the extent to which Moroccans in the French Zone
rbed French culture and accepted the view which is put
y Radio Rabat concerning Spain as a protecting Power.

Tea in Tetuan', in *New Statesman and Nation*, 20 March 1954.
n Arabic, 16 February 1954.

In these circumstances the main significance of General Valiño's gesture must be sought in the reminder to France and to the world at large that, whatever the future of Morocco may be, Spain's interest in it can no more be ignored today than it could in 1904, 1906, or 1912. While it would be extremely rash to prophesy how the situation will develop, it is worth noting also that the three protagonists of a former day, Morocco, France, and Spain, have now been joined by a fourth. This is the still unsubstantial but none the less insistent figure of the Arab League. In the last few days, the Secretary-General of that body, announcing his official visit to Madrid, said that Spain's attitude to French policy in Morocco had been very much appreciated by the Arab League Council. He did not want to go faster than events, but Spain, he said, had proved herself to be a friend of the Arabs.

N. B.

The Dilemma of the Polish Economy—III[1]

PRESSURE ON THE PEASANTRY

THE lessons taught by experience have made the Government wary of collectivization. Over the five-year period since its inception only 7 per cent of the country's farmland has been brought into the collectives:[2] over a similar period the percentage in the Soviet Union was ten times as much. The individual peasantry, owning four-fifths of the land and roughly the same share of livestock, is still the predominant factor in an agricultural economy.

Inevitably, as realistic policies dictate a slowing down of collectivization, so the pressure on the peasant to make him comply

[1] For previous articles see *The World Today*, March and April 1954.

[2] *Farm Collectives*

Year (end)	*No of Collectives*	*Farmland involved (hectares)*	*Share in Poland's farmland (per cent)*
1949	240	60,000	0·2
1950	2,200	500,000	2
1951	2,900	600,000	3
1952	4,900	1,100,000	5
1953	8,000	1,400,000	6·5
1954 (March)	8,500	over 1,500,000	7

The rate of about 3,000 new collectives to be created per year has been accepted by the Party for each of the years 1954 and 1955. cf. *Wies w Liczbach*, *op cit*, p.131; U N., F.A.O., *European Agriculture*, 1954, p. 57; Bierut, Report to the 2nd Party Congress, March 1954; Z. Nowak, *Trybuna Ludu*, 16 March 1954

planned rate of capital accumulation increases. First, he by means of compulsory deliveries of all the main food ain, meat, potatoes, and milk. Out of about six quintals hat a peasant gets from an average hectare of his holding, surrender about 1·6 quintals to the State.[1] The rest he ıre out between seed stock and feeding his family and thus he is left with only a meagre margin which he is to sell at free market prices as a reward for punctual The load of the compulsory delivery burden is differen- a class basis. The burden of taxation involved may per- be illustrated by the fact that the State pays about 0·60 a kilogram of rye bought through the compulsory pur- chinery, while it sells a kilogram of bread produced from t 2·80 zloty: it pays for compulsory deliveries only about the free market price for the rye. Along with the heavy :aled in the price which the peasant gets there is a no less e concealed in the price he pays. The 'price scissors' have ned wide in Poland as an additional means of extracting village its allotted share in capital accumulation. To be :cise, while the peasant has to pay more for industrial terms of his produce than before the war, the increase o goods which serve his own and his family's private tion much more than to goods which serve investment in [2] In other words, while curtailing the peasant's purchasing n terms of his produce) for industrial goods, the State ıim to spend on means of production rather than on r shoes.

Pszczolkowski, *Nowe Drogi*, 1952, No 1–2, pp 26, 30 Out of an eld of 12·6 quintals per hectare of grain land the peasant sells ıarter, 3·1 quintals of grain (J. Tepicht, *ut supra*, p. 34). The com- livery quota for meat is 35 kg, and for milk 154 litres, per hectare of l area of average quality; for collective farms these quotas are only 77 litres respectively. Cf. F.A O, *European Agriculture*, 1954, p. 54.

[2] *Prices of industrial goods in terms of kilograms of rye*

		1937–8	1953
Superphosphates	100 kg.	46	94
Kerosine	10 litres	19	66
Sugar	10 kg.	48	240
Woollen material (comparable quality)	1 metre	55	400
Shoes (comparable quality)	1 pair	100	750

:pancies would be smaller if comparisons were made in terms of ducts since prices serve as incentives to encourage animal production. :nce between the price paid per 100 kg for pigs and the price paid for veight of rye is double that prevailing just before the war Computed O., *European Agriculture*, 1954, p. 55.

The State has other more direct means of making the town worker carry the allotted burden of capital accumulation; on the whole, it has to use more circuitous methods with the peasant than with the industrial worker, but a successful way has been found to make even the peasant comply with the consumption ratios provided for in the overall economic plan. Reversing the sequence adopted in the Soviet Union, the Communist Government in Poland put collectivization of village trade before that of farms Private trade was in fact completely eliminated from the villages even earlier than in the towns. By 1950 the State was already in exclusive control of the channels bringing industrial goods into the village.[1] Thus by planning these deliveries the State can determine what should be the peasant's consumption and, for that matter, most of his investment. The idea behind all this is that no matter how much money the peasant may have collected from the sale of his produce, both in compulsory State purchases and in the private market,[2] he can never buy more than the master planner has allotted to him. To avoid too heavy an inflationary pressure from any money surplus left in the peasant's hands, that surplus is being concurrently wiped out by a land tax paid in money (which is, moreover, subject to a very heavy class differentiation). When ordinary measures fail to cope with an accumulated money surplus, extraordinary ones are applied, such as the obliteration of most of the peasants' cash holdings, by means of a currency reform such as that carried out in the autumn of 1950, or by semi-compulsory loans or other methods.

Calculations based on figures for 1951 show that something like half the money which went into the villages still remained in the hands of the peasantry, even after taxes had been paid, from sheer lack of goods on the shelves of the village shops.[3] This is clearly nothing less than an enormous and well-camouflaged compulsory loan which is enforced on the farmer as a means of compelling

[1] In 1949 this socialized trade accounted for 83 per cent, and in 1950 for 100 per cent, of goods delivered to the villages. Cf. Marecki, *Zycie Gospodarcze*, 1952, No. 3, p 122

[2] About 37·3 per cent of the peasantry's income is derived from the free market (*Wies w Liczbach*, p. 66).

[3] The peasantry's gross income from State purchases under socialized trade amounted in 1951 to roughly 20 milliard zloty (see *Wola Ludu*, 27 August 1952) Takings from the free market amount to more than half those from State purchases (see above). Against a total of 30–32 milliard of peasants' money income, sales in village shops amounted to 10 milliard zloty (*Wola Ludu*, 27 August 1952). Another 6·6 milliard zloty a year is drained from the peasants' pocket in land tax, mortgage, insurance, electrification, and similar payments. (Cf. T. Dietrich, *Gospodarka Planowa*, 1953, No. 5, p. 6).

to contribute to the planned capital accumulation. An investi-
on of this kind may perhaps help to interpret the recent official
n that by 1953 real incomes of the peasantry rose by one-
as compared with 1949.[1]

'here can be little doubt that as long as the peasant stays on
own farm he has more ways at his disposal than the industrial
ker of evading the load of forced capital accumulation. In
eme cases (officially admitted where the harassed 'kulak' are
cerned) he slaughters his cattle and stops cultivation. In other
s he increases the amount of his produce earmarked for family
sumption beyond the figure calculated for him by the planner,
ells the surplus in a black or grey market: the 'grey' market
arm produce is in fact rampant, and at exorbitant prices. In
delivery year 1953–4 evasions have become a mass pheno-
ion, and so have inarticulate strikes of land tax payers. Because
phenomenon is so widespread the peasant has little fear of the
sequences.

'he peasant's surplus purchasing power which the planner
s to sterilize by means of short supply to village shops spills
r on to a black market. Thus the peasant tries to get goods from
pool reserved for the town workers, and here again frustrates
Government's plan. Yet another method in the peasant's
sion of the load planned for him is the actual slowing-down of
process of his proletarization. Pushing the peasants from land
own, apart from its doctrinal importance to the Communist,
a sense also a way of subjecting them to the exaction of the
plus value' by the State in the factories. This process should
he main bye-product of collectivization, since the latter would,
east theoretically, release labour. Thus we come back to the
blem which we have broached before under a different aspect.

THE PARADOXES OF RURAL UNEMPLOYMENT

ural overpopulation was the scourge of the pre-war Polish
nomy: 'concealed' unemployment was estimated to affect over
illion people, and it was particularly high in the younger male
classes. Much of this concealed unemployment has been
orbed as a result of the early post-war agrarian reform, and by
ttlement of the newly acquired Western territories, where
rly half a million peasant families were allotted individual
dings (it is here that the regime's collectivization drive has since

[1] *Trybuna Ludu*, 4 November 1953.

been most vigorously applied). Between them these two operations gave the peasantry about 5·7 million hectares, two-thirds of which were given to 'landless' peasants. In addition to this, something like 2½ million people have moved since the war from village to town.[1] The land hunger of the peasantry has certainly been in part appeased.

Nevertheless the official claim of the regime to have eliminated disguised rural unemployment[2] must still appear questionable. Clearly, the number of hands which can be usefully employed on a country's farms is only relative, depending as it must on the state of technical development in agriculture. Even at the existing level of this development, it may be assumed that on an average thirty people of working age (i.e. between fifteen and sixty years of age) are sufficient to cultivate 100 hectares; but in fact the average in 1951 was about one-third higher.[3] In the meantime probably not much more than the equivalent of the adolescent age-group will have migrated to the towns, and thus the surplus must have remained around 2–2½ million. (On a different basis the E.C.E. has estimated the 1950 agricultural labour surplus of men only at between 40 and 75 per cent of Poland's total industrial labour force.)[4] Yet even in those districts of the country where rural overpopulation is greatest, recruitment has come up against difficulties new recruits are discouraged by hardships in the towns, to say nothing of factory discipline, and are drifting back to the villages Even the giant of the Six-Year Plan, the Nowa Huta steelworks, which are situated in one such region of overpopulation, had to reduce its building shifts to one instead of the planned three because of manpower shortage.[5]

Shortage of skilled labour was foreseen by the planners, and is being remedied to some extent by intensive schooling;[6] but an acute shortage of unskilled labour must have come as a shock to them. As has been already indicated, the Government is trying to make do with substitute sources of labour. Quite recently, the policy of keeping farmers on the land has been openly declared

[1] Over a million peasants have found work in industry or building since the war. Cf. R. Zambrowski, *Tribuna Ludu*, 13 March 1954.

[2] Cf. Ochab, *Nowe Drogi*, 1952, No. 9, p. 59

[3] Cf. T. Golebiowski, in *Praca i Opieka Spoleczna*, January-February 1951, p. 29 *seq.*

[4] E.C E. *Economic Survey of Europe since the War*, 1953, p. 159.

[5] *Zycie Gospodarcze*, 1953, No. 22, p. 809.

[6] About half a million boys and girls are trained in primary and secondary industrial and trade schools Cf. *Trybuna Ludu*, 10 August 1952.

by Bierut to be one of the points of the economic 'new line'.[1] The official explanation is that the Government wants to have more people on the land to grow more food, but in fact the new approach would seem to show that any hope of a rapid improvement in agricultural techniques has been abandoned. It also in part reflects the Government's intention to push new recruits straight into the short-handed State farms which are shunned by the peasantry.

FOOD SHORTAGE

Following the familiar pattern, the Polish version of the Malenkov-Khrushchev line promises the Pole more comforts, and, first and foremost, more food. This is an obvious attempt to break the vicious circle where lack of food undermines the productivity of the industrial worker and lack of industrial consumables acts as a strong deterrent for the food producer.

The chronic food shortage in Poland today is not easy to explain. Before the last war Polish agriculture was able to satisfy the country's food needs and to produce an annual exportable surplus of about $125 million. True, as will be seen from Table A,[2] it is a fact—though one that is usually discreetly passed over in official claims—that the output per hectare within the present frontiers of Poland has declined in all the main crops as compared with pre-war. The nunber of cattle per hectare of farmland has also declined. But published statistics suggest that production of main foodstuffs per head of the population is today higher than it was in pre-war Poland: the rise is quite marked in bread grain, milk, beef, and pork, and very marked in sugar.[3] Indeed, it would seem that even the present level of agricultural production should be able to satisfy reasonable requirements, and to provide the people (in principal foodstuffs only) with a caloric content of between 2,800 and 2,900 a day.[4] Even granting the impact of urbanization

[1] *Polish Facts and Figures* (a publication of the Polish Embassy's Press Office in London), No. 380.

[2] See p. 225.

[3] It is maintained that per capita output of beef and pork in 1952 was 35 kg., as compared with 24 kg. in 1938. The output of milk per capita in 1953 was reported to be 342 litres, as compared with 287 litres in 1938, the difference being accounted for in part by a rise in yield per cow, from 1400 to 1716 litres a year, over the same period. Cf. *Trybuna Ludu*, 20 December 1953. The 1953 harvest of bread grains was below the average for the last few years.

[4] A food balance compiled for 1952–3 on Dr Klatt's method (cf. *Economia Internazionale*, vol. V, No. 2) would yield a total content of 2,850 calories per day. After deducting seed, waste, and feed from available supply it would arrive at a surplus of 450,000 tons in grains, 150,000 tons in sugar, 50,000 tons in meat, and 25,000 tons in eggs, the remaining foodstuffs being at balance, with

on the food consumption pattern, the chronic food deficie especially the outbreaks of acute food crises, are not easil able, at any rate without access to export data which secret.

There is certainly scope for a considerable increase i food production. Even before the war crop yields and livestock numbers were smaller in Poland than in the neigl Central European countries. This was accounted for differences in climate and soil than by differences in th fertilizers and manure, in crop rotation, and in implem techniques. War has depleted the soil fertility, and the increase in artificial fertilizers has not made up for the fact the Government policy of a rapid and one-sided deve of the pig population at the expense of cattle and horses (i expense of the main manure providers) must have c 'defertilization spiral':[1] the increase in pig rearing reduces fodder for human and cattle and horse consumption, since stable manure supply reduces crop yields, and reduc yields mean smaller supply of food and fodder. Thus a circle is created which has to be broken if a larger and be supply is to be secured for the population and for export. shows what potentialities there are if the overall yields raised to pre-war standards in the newly-acquired territo this is a problem which involves both encouraging the community to greater effort and supplying them with a means. In both these directions the 'new line' policy appe trying to make amends for the errors of the past.

REDEPLOYMENT OF NATIONAL RESOURCES

The new policy is based on a redeployment of national re The slice of 'national cake' allotted to investment is to be from over a fourth to about a fifth. There is also to be a re tion within the investment itself: investment in agricult be increased by almost a half, and in consumer goods ir by almost two-fifths.[2] It is not, however, the intention to total amount devoted to investment, or to slow down the

---

consumption assumed per head (in kg.) as · grain as flour, 145 kg.; pota sugar, 20; meat, 25; fish, 2; milk, 100; cheese, 5; eggs, 5; fats, 8.

[1] Cf. F.A.O *Report of the Mission for Poland*, Washington, 1948, *p*

[2] As now planned, in 1954 and 1955 accumulation's share in th income will be 21·2 and 19·8 per cent respectively. Cf. Bierut, *Polish Figures*, No. 380.

TABLE A

PRINCIPAL CROPS AND LIVESTOCK

	TOTAL			PER 1,000 POPULATION			PER 100 HECTARES			
	1938		1953	1938		1953	1938			1953
	Pre-war Terr:	*Present Terr:*		*Pre-war Terr:*	*Present Terr*		*Pre-war Terr:*	*Newly acquired Terr:*	*Present Terr:*	
CROPS	(000,000 tons)			(tons)			(tons)			
Rye	7·5	6 8	5 8	208	214	223	123	165	128	118
Wheat	2·2	2 0	1 9	62	63	73	124	215	146	119
Potatoes	34·6	37·1	31·3	992	1,196	1,204	1,140	1,690	1,380	1,210
Beetroot	3·2	6·0	7·2	90	192	277	2,100	3,448	2,600	2,200
Sugar	0·5	0 9	1·1	14·3		42				
LIVESTOCK	(000,000 head)			(head)			(head)			
Cattle	10·6	9·9	7 4	302	320	285	41·2	69·3	47·6	35·4
Pigs	7·5	9·7	9·7	215	312	373	29·4	81 7	46·4	46·3
Horses	3·9	3·1	2·7	112	128	104	15·3	15·0	15·1	13·4

DERIVED FROM: *Maly Rocznik Statystyczny*, 1939; *Trybuna Ludu*, 4 November and 20 December 1953; *Wies w Liczbach*, *op. cit.*; Blitek, *Zycie Gospodarcze*, 1947, No. 23; Bialoborski, *Zycie Warszawy*, 30 November 1953; *Statistisches Jahrbuch für das Deutsche Reich*, 1938; *F.A.O. Year Book*, 1951; *Zycie Gospodarcze*, No. 4, 1954, p. 136; National Committee for a Free Europe, Research and Information Center, *Report on Poland*, No. 12; *Gospodarka Planowa*, No. 12, 1953, p 10. Partly estimates by author.

Pre-war data for present and newly-acquired territory refer to 1934–8. The last four columns for livestock are computed per 100 hectares of farmland.

growth in producer goods industries. Indeed, there are few signs of shelving any of the more ambitious projects. It is doubtful whether the Government can in fact afford to reduce the tempo of such projects and thus delay the day when they would begin to bear fruit. If there are hints of restricting new construction, they probably refer to projects where bottlenecks in labour or material supply have already enforced a slower pace. The Government, in fact, is here making a virtue of necessity. But even the grandiose plan for the development of inland waterways, which for a time seemed to be shelved, has now been put into operation. A beginning has been made with the River Bug, an important link for integrating Polish waterways into the Soviet system.

The 'new line' programme will mean, we are told, 'as far as absolute sums of capital expenditure are concerned, maintaining those sums at the present level, as our national income will of course go on increasing.'[1] The 'of course' begs the question. Where does the certainty come from that the national cake will grow? And from where does the certainty come that any rise there may be in the national income will be forthcoming precisely in those branches of the economy which directly affect the peoples' standard of living? It is clear that from this point of view a rise in specific spheres of the economy is necessary—which is quite a different thing from raising the aggregate of the national income on paper Unfortunately we have not been offered any coherent and convincing programme to allay our doubts, and past experience, as has already been shown, warrants anything but optimism. What has so far been offered is a vigorous campaign exhorting heavy industry factories to use their waste for producing pots and pans, needles and pins, razor blades and furniture and all the thousand and one things, the lack of which has brought life down to an almost primitive level and is so irritating to the ordinary citizen. Reports from Poland since the campaign started make one inevitably suspicious of the seriousness of the drive.[2] After an experience of almost a decade with the Soviet economic model, it is small wonder if the population remains sceptical as to whether, given the inherent qualities of the top-heavy industrial and distributive mechanism, the system will be in a position to attend to personal

[1] *Ibidem*. The average yearly rise of the national income is expected to amount to 12·6 per cent.

[2] Since these words were written the sham performances of industry in this campaign were disclosed and bitterly attacked by Mr Minc himself in his address to the second Party Congress last March.

needs at all. This scepticism is reinforced by an analysis of the revised targets in basic consumer goods industries such as textiles:[1] this would show that in fact the targets are even lower than those of the initial plan. A radical change for the better could be brought about by making available—at least in the transitional period of industrialization—supplies from abroad, though there is little hope of this without a radical change in the pattern of Poland's external economic relations.

No less scepticism seems to prevail as to the programme for agriculture.[2] It still remains to be seen how far the regime wishes and is able to divert more resources to agriculture. The announced programme of land improvement as a basis for increased fodder production appears to be modest. Promises of a greater supply of building materials for rural communities have not been made good. The disturbing inefficiency and failings of the farm machinery and fertilizer industries which were revealed by Mr Minc in his address to the Party Congress last March have put a question mark to the promises made to farmers.[3] Poland has only three tractors per 1,000 hectares of agricultural area: the target for tractors for 1955, far from being raised, has been reduced from 80,000 to 58,000, and the meagre addition earmarked for the peasant sector will not suffice to serve the contemplated new col-

[1] The 1953 production of cotton material was 498 million metres. The target for 1955 is a 12 per cent increase (cf. *Trybuna Ludu,* 4 November 1953). Thus if the target is achieved 557 million metres will be produced. The initial target for 1955 was 608 million metres.

[2] There are still about 400,000 hectares of uncultivated land in Poland, i.e. about 2·5 per cent of the total arable area. Cf. Bierut, Report to the 2nd Party Congress, March 1954.

[3] *Chemical fertilizers produced per hectare of arable land chemical nutrients—kg.*

	N.	P_2O_5
In 1937–8	1 5	1·7
In 1953	7·7	6·6

Fertilizers applied per hectare of arable land chemical nutrients—kg.

	N.	P_2O_5	K_2O
In stable manure—1938	28·5	14·0	25·5
In chemical fertilizers			
in 1938	2·5	4·5	3·5
in 1950–1	6·0	6 5	11 2

Cf. F.A.O. *Report* (v. above), p. 68; *Zycie Warszawy,* 21 November 1953; Niesiolowski, *Zycie Gospodarcze,* 1953, No. 32, p. 1268.

However production so far claimed by Polish sources seems, in the light of Mr Minc's recent disclosures, to be exaggerated. According to him the plan for 1950 provided for 180,000 tons of nitrogen fertilizer (pure content), which—he added—'means that between 1953 and 1955 production of nitrogen fertilizer should be doubled'. The inference must be that only 90,000 tons were produced last year. Cf. Mr Minc's address to the 2nd Party Congress, March 1954.

lectives. It is the collectives which will, it now appears, from the bulk of the much publicised investment credits peasantry. Thus there is only a very narrow margin ind for the individual peasant-farmer to benefit from the n grammes.

THE DILEMMA OF COMMUNISM AND FOOD

The Communist Party has unwillingly been forced to re the national economy's dependence on the individual peas the aim of collectivizing agriculture has been solemnly rea The Government found it impossible to go beyond the not to increase the present scale of compulsory deliverie doxically enough, persistent rumours of an impending delivery quotas, as well as of tax remissions and adjustmen been branded as hostile propaganda inspired by the foreig All this can hardly act as an incentive to the peasant and b sullen opposition.

The Party is clearly in two minds as to what to do ab crucial problem of the peasantry. It holds to the princi socialist agriculture, yet at the present pace it would take end of the century to collectivize the Polish village: an prospect from the Party's point of view. The Party has, manoeuvred itself into a position which is unacceptable bot orthodox Communist and to the peasant. Its heart-sea emerge clearly from the pages of the published Minutes of plenary session of the Central Committee. Some of th prominent members went to great lengths to disarm t ceptibilities of those who question the wisdom of any p appeasement towards the individual peasant. The argume ducted in the Central Committee's plenary session appears good deal more serious and real than mere shadow boxing ing the peasant—the opponents have been reported to ma allowing him to keep a cow or two, aiding him to raise his can only mean making him richer. Did not Lenin teach th village capitalism grows every minute, every day? Does not the peasant individually prosperous strengthen his aversion lective property and work? Thus, the orthodox maintain t policy of helping the individual food-producer defeats the mental aims of the Communist Party. The dilemma is noth than a choice between faithful adherence to the doctrine an ing enough food.

PRINTED IN GREAT BRITAIN AT THE BROADWATER PRESS, WELWYN GARDEN CITY, HERT

THE WORLD TODAY

Volume 10 No. 6 June 1954

*

Notes of the Month

Equality for American Negroes: The Supreme Court Decision

THE Supreme Court of the United States has provided an encouraging and liberal antidote to the dissension and confusion in the other branches of the United States Government, which have recently been infecting the rest of the world with doubts about the strength of American democracy. The unanimous decision which on 17 May outlawed racial segregation in State-supported elementary and high schools made it clear that even a written Constitution can keep up with social progress. To future historians this decision may well mark the end of the century-long advance of the American Negro from slavery to 'first-class citizenship'.

Since the war the Supreme Court has been chipping away at a fast rate at racial discrimination in housing, higher education, and elsewhere, but the importance of the latest decision is that, for the first time, the Justices have ruled that segregation is in itself discriminatory. The Fourteenth Amendment to the Constitution, ratified after the Civil War, guaranteed the equal protection of the laws to all citizens, but this was interpreted by the Supreme Court, in 1896, as permitting segregation of Negroes if the separate facilities provided for them were of the same quality as those offered to Whites. Now the Court has ruled that 'in the field of public education . . . separate . . . facilities are inherently unequal'. The decision was based squarely on modern psychological theories hardly known in the last century: 'to separate (children) from others of similar age and qualifications solely because of their race generates a feeling of inferiority as to their status in the community that may affect their hearts and minds in a way unlikely ever to be undone'.

Much of the immediate importance of the ruling will lie in its alleviation of the emotional resentment which Negro parents in the South have felt at being forced by law to send their children to separate schools. Actual educational facilities for Negro children

have been improving rapidly as a result of the applicatio
'separate but equal' doctrine; in fact in many places the
schools, having been built more recently, are superior to t
White children. The process of integration certainly ca
accomplished overnight in the seventeen southern and
States with 12 million children of school age where edu
segregation is required by State law or by the State const
The Supreme Court, recognizing that the principle it has lai
so unequivocally means in practice a complete social rev
has wisely postponed its implementation until the autum
there will be further hearings which in effect will give th
involved an opportunity of showing how and when they pr
carry out the Court's ruling. The President, always an ou
opponent of racial discrimination, is urging the national
where more than half the school children are coloured,
good example by abolishing segregation at once.

A few southern States, notably Georgia, have been thin
closing their free schools in preference to allowing the race
in them. And southern defenders of states' rights against
encroachment are questioning the power of the Supreme C
intervene in the educational field, which is almost exclusi
concern of State and local governments. But it is remarkal
calmly a decision which violates the most deep-seated preju
being received. Virginia and Texas are among the States th
already agreed to accept the end of school segregation in pr
In practice, of course, even after the Supreme Court has is
detailed decrees in the autumn, there may still be legal lo
that can be used to delay the admittance of Negro children t
schools. Nevertheless there can now be no doubt that most
cans, in South as well as North, recognize that the event
appearance of racial segregation is inevitable—all the m
evitable because it is coming gradually.

The Turkish Elections

ON 2 May the Turkish Government was returned to pow
an increased majority. This is a distinction won by few
cratic Governments after four years in office, and it came a
prise; most people, indeed, had expected that the Democra
(D.B.) Government, led by Mr Menderes, would be retu
power, but only with a reduced majority. But whereas in 1
Democrats won 408 seats out of a total of 487, this time th

504 seats out of a total of 541. Their princiapl opponent, the People's Republican Party (PRP), which in 1950 won 69 seats has this time obtained only 30. It should be remembered, however, that under the Turkish electoral system the distribution of seats does not give a fair idea of how the electorate voted; in 1950 the PRP received as much as 40 per cent of the votes cast, compared with 53·6 per cent for the DP. But this time the gap between the proportion of votes gained by the two main parties widened considerably; according to the provisional estimates, the DP's share rose to about 63 per cent while the PRP's fell to about 35 per cent.

The only other party of any importance running on 2 May was the Republican Nation Party (RNP). This party, which was only formed a few months ago, campaigned on a liberal platform and made a great deal of the need for constitutional reform. But most Turks are convinced that it is in fact a new edition of the reactionary right-wing Nation Party which was suppressed by the Government last year—with, as many think, ample justification—on the ground that it was planning to overthrow the Atatürk reforms by force. The fact that the RNP obtained only about 1·5 per cent of the votes and five seats, while the Government that had suppressed the Nation Party received an impressive vote of confidence, shows that the forces of religious reaction in Turkey are fighting a losing battle.

No great issues of principle divided the two main parties in the recent campaign. Both are determined to suppress religious reaction, although neither is opposed to religion as such. Both want to preserve the Ataturk reforms and see their country develop along Western lines. Both favour a foreign policy based on active membership of the United Nations, of N.A.T.O., and of the Balkan Pact. The Democrats fought the election battle on their record over the past four years, and they could not have asked for better campaigning ground. For there has undoubtedly been a notable increase in Turkey's material prosperity since 1948 and especially during the last four years.

It is in the Turkish countryside that the greatest changes are visible. An outstanding increase in agricultural production has been achieved with the help of good weather, generous American aid, and a variety of Government measures such as guaranteed high prices, easier credits, imports of farm machinery, more and better roads, and the dissemination of fertilizers, seeds, and technical knowledge. Last year total cereal production alone was over 14

million tons, more than double the pre-war average. This agri cultural boom is putting more money into the pockets of th Turkish farmers—who form 80 per cent of the electorate—tha they have ever had before. It is not surprising that so many of then should have decided to vote for the Democrats again.

The PRP was very hard put to it to provide an adequate counter blast to these economic successes. It certainly did its best to picl holes in the Government's economic policies, and much of what i said was justified—if often exaggerated—criticism; there is, fo instance, the lack of economic planning, the alarming trad deficit, and the failure to cope adequately with the growing inflation But none of these criticisms weighed for much with the Turkisl farmer (who as yet is hardly affected by the inflation) by compari son with his new tractor or his new suit.

Nor did the issue of constitutional reform prove a very poten vote-catcher. The Opposition parties maintained that under the present Constitution too much power is placed in the hands of the majority party; they proposed a second Chamber, a constitutional court, and a new electoral law providing for single-member con- stituencies. The Democrats, for their part, tended to argue that Turkey was not yet ready for constitutional change and that it was better to put up with some ill-judged legislation in order to be spared endless deadlocks and delays. Obviously both parties approached the constitutional question with a very keen awareness of what suited them best; and if their roles had been reversed, their arguments might well have been reversed too. Be that as it may, most progressive Turks would agree that it is unfortunate that the parliamentary expression of the Opposition's viewpoint should now be practically stifled. They will hope that at any rate the Democrats' overwhelming majority will give them the courage to take whatever unpopular measures may be needed to close the trade gap and curb inflation.

German Economic Policy and Western Europe

DURING the first week in May a conference was held in Münster (Westphalia) under the auspices of the four institutes for co-operative studies attached to the Universities of Münster, Erlangen, Frankfurt, and Marburg. The general theme of the conference was the Function of Co-operative Organizations in the Framework of present Economic Policy. Those attending were mainly economists, including a number of invited foreigners, among them the

Austrian Minister of Agriculture. The principal features of the second day's proceedings were two long and carefully thought-out addresses by Herr Blücher, the Vice-Chancellor and Minister for Economic Co-ordination, and Dr Lübke, the Minister of Agriculture, in the Federal Republic.

Herr Blücher, who was on his way to attend a meeting of O.E.E.C. in Paris, made a number of interesting points. He commented on the value of bringing academic and practical men together. He said that the young longed for a united Europe and this desire should not be allowed to wither. An economic integration of Europe was the first stage. It was for the scientists and economists to study the possibilities of a fully articulated European economy, a land utilization map which would take into account natural resources, trade facilities, and consumer needs within the pattern of national tradition. The agricultural industry had the immediate task of studying not only production but the cost of production. He would like to see a European Agricultural Research Institute which would, among other things, determine what constituted an economic farm for different soils and climates; it might even be able to suggest a distribution of types of production according to natural conditions. Up till now agriculture had been neglected and under-represented in O.E.E.C. He would see that this was remedied. Dr Blücher stressed the importance of intensifying production for the home market. More agricultural production was needed to make good the food formerly obtained from Eastern Europe, as well as more facilities for food imports from Western Europe. Germany must get away from the idea of 'export at any price'. He compared the indices for the increase of production and of export per head of population (using 1938 as a base) for Germany, the United Kingdom, and France, and showed that Germany was considerably behind in each case.

The taxation policy in Germany had hindered the formation and mobility of capital. Railways, roads, water-power, and agriculture all stood in need of more investment, and such investment would in turn raise the home demand for consumer goods.

Herr Blücher looked forward to a free convertibility of European currencies which would be one step towards increased foreign investment in Germany. He hoped that protective tariffs would be more flexible. The levelling of tariff barriers was the ultimate goal, but in the meantime it should be possible to establish and extend a list of free goods and to proceed to a gradual mutual lowering of

other tariffs. In the past agricultural policy had been t
dominated by political considerations and the desire
sufficiency in all circumstances. Now Germany must r
that the welfare of her neighbours was bound up with
welfare.

Dr Lübke, the Minister of Agriculture, spoke on the F
of Agricultural Co-operatives in West Germany's pres
future policy. He referred to the value of co-operation as
ment of self-help in a free economy. Agricultural monopo
a drag on efficiency. There was a limit to the support whi
be given by means of price policies. The emphasis mu
increased productivity especially on small and mediun
based on animal husbandry and on fruit and vegetable pro
Co-operation had a great part to play in modernizing agr
techniques, farm buildings, and farm homes, as well as
solidating small and scattered holdings. For this libera
would be needed. Pensions should be provided whicl
enable elderly farmers to retire and make room for yo
vigorous men. The co-operatives should themselves be
ized, and it was for the universities to train the new gene
leaders.

Germany has, of course, always been especially concer
agricultural co-operation. She was among the first cou
introduce it, and now has a very fine system of agricult
operative credit. It is interesting to find that the Federal
Government, recognizing the country's backwardness
respects in agriculture, is now recommending co-operat
basis for improving farm techniques.

Crisis Point in Indo-China

This is a critical moment in the history of Indo-China: critical for the three Associated States themselves; no less so for France, which for seven and a half years has been waging a wearing and costly war there, and for the Western Powers in their concern to prevent the spread of Communism in South-East Asia. By the time this article appears the Far Eastern Conference at Geneva may have decided the immediate future of the Associated States, either by agreed decisions or by default. Our concern here is not directly with Geneva, but with the present condition of Indo-China, and particularly of Vietnam, the most important of the Associated States. But the internal events of Vietnam are themselves of importance in helping us to understand the issues under discussion at Geneva and the possibilities of an eventual Indo-Chinese settlement that would restore stability in South-East Asia and not contain the germs of further trouble.

The opening of the Geneva Conference almost coincided with a joint Franco-Vietnamese declaration on 28 April, affirming agreement between the two nations upon Vietnam's independence and her relationship with France in the French Union. This should have been a culminating point in Vietnam's struggle for sovereignty and the final vindication of the 'Bao Dai experiment'. Two factors, however, detracted from the impact of the declaration. First, it was merely a declaration, to be followed eventually by the signature of two treaties still to be drafted in their final form; and secondly, it came too late. Indeed, it appeared to observers in possession of the facts that this declaration of independence might turn out to be yet another instance of 'too little', as well as' too late'. At the same time, if Bao Dai is enabled to exploit his country's 'independence' in its new form—an eventuality which recent Viet Minh military successes renders problematical—he will find himself acclaimed, and with some justice, as the principal architect of this same independence.

How far this independence goes, of course, is another matter. It is idle to expect the equivalent of real 'dominion status' on the model of India or Pakistan, for 'dominion status' is a concept foreign to the theory of the French Union.[1] But it comes a good deal nearer to it than any promises or treaties made or signed by

[1] See 'Indo-China: Gateway to South-East Asia', in *The World Today*, June 1951.

France in relation to her former territories. The very
Vietnam's new relationship with France is to be enshrin
treaties instead of one is a major concession to the Vi
point of view. The first of the treaties recognizes the to
pendence of Vietnam and her full and entire sovereig
second establishes a Franco-Vietnamese association in th
Union, theoretically founded on equality between the tv
tries. In certain subjects basic to the concept of independe
as control of the armed forces and of foreign policy, it see
that the new treaties will represent a considerable advan
agreements of 8 March 1949, which have governed rela
tween France and Vietnam since the return of Bao Dai fr
and which allotted to Vietnam a distinctly subservient p
relation to France within the French Union.[1] It is in the e
sphere that certain limitations upon complete soverei
retained. These arise partly because of French concern
guard their investments in Vietnam, and partly through
which it would be impracticable to alter in present circur
that the Indo-China piastre is tied to the franc. Vietn
ports are insufficient to provide foreign currency adequat
import requirements. Such currency must be provided by
In consequence, a clause in the second treaty provides
Vietnamese purchases outside the French Union must go
the Office des Changes in Paris. Once the currency is obta
orders must be placed through French agencies, with th
able consequence that Vietnamese imports will cost m
they would if the French middleman were by-passed. A
clause provides that France shall be given most-favoure
treatment in the appointment of technicians in Vietnames
posts. If a Vietnamese technician is not available—and g
present acute shortage of trained Vietnamese personnel
often be the case—French technicians must be appointed
no competent French technician is available may the Vie
look elsewhere for candidates. It would be unfair, of co
condemn these French-imposed limitations upon Vie
sovereignty outside the context of France's immense sac
Vietnam in men, money, and materials.

With certain reservations that will become apparent, i
possible to appraise the 'Bao Dai experiment', some five ye
the Emperor's return to his country as Chief of Stat

[1] See 'Trial of Strength in Indo-China', in *The World Today*, Marc

bservers consider that the experiment has been a failure. Others, otably Mr Malcolm MacDonald, the British Commissioner-General in South-East Asia, are enthusiastic supporters of Bao Dai. A reasonable view might be that the experiment has been a ualified success. Bao Dai remains the only nationally and inter-ationally acceptable alternative to Ho Chi Minh, the only figure apable of rallying all the non-Communist Nationalist elements in ietnam. Even Bao Dai's severest critics can suggest no alterna-ive to him, short of handing Vietnam unconditionally to Ho Chi Minh. At the same time, Bao Dai, while clearly not a French uppet, has signally failed to inspire on the official Vietnamese ide the same degree of revolutionary fervour as unquestionably xists on the Viet Minh side. How far this is due to his own emperament, which has never been notable for prolonged applica-ion to work, and how much to his policy of deliberate inertia, is ebatable. After a brief spell as Premier from 1 July 1949 to 21 anuary 1950, Bao Dai retired to his hunting lodge at The Lake, orty-five miles from the administrative village of Ban Methuot, n the heart of the Annamese jungle. And he has emerged only at ell-spaced intervals for visits to the hill station of Dalat, Saigon, Ianoi, or less frequently to Hué, the imperial capital of Annam; r for visits to France, either for health reasons (he suffers from achoma) or for reasons of high policy, such as the visit which receded the recent declaration of independence.

Bao Dai's critics describe his mode of life as lazy and escapist. hey accuse him of *attentisme*, or fence-sitting, the endemic olitical disease of Vietnam. In fact, he finds it convenient not to ork in Saigon, where he would be exposed to the importunities f his own followers and to French pressure. By staying in a singu-rly inaccessible place such as The Lake, he retains a greater easure of independence. He is also known to attach some im-ortance to the Vietnamese conception of the sovereign as a being mote and mysterious. Yet from the remoteness of his hunting dge, he has managed to rule at times most effectively. Without aving it for a moment, he dismissed the stagnant Tran Van Huu lministration in June 1952 and appointed Nguyen Van Tam, then linister of the Interior and head of the Security Police, as the new rime Minister. Ably assisted by a personal secretariat working oth at Dalat and Ban Methuot, he subjects each Bill drafted by s Cabinet to the closest personal scrutiny and withholds the yal seal of approval whenever he deems it necessary. Perhaps the

strongest factors in Bao Dai's relative lack of personal popularity have been two circumstances beyond his control—the war and French policy.

The two are indeed closely linked. The war, which Bao Dai's own National Army is still incapable of fighting on its own, has necessitated the military presence of the French. And this presence has partly, though not entirely, dictated French policy towards Vietnam: it is difficult to surrender sovereignty to a nation temporarily unable to exercise it without military support. At the same time, by their unwillingness to hand over even as much as possible of the substance of independence before being forced to do so by events, as well as by their hesitations in backing Bao Dai, the French may have greatly contributed to the Emperor's relative lack of prestige. It is worth recalling that though the Indo-China war began on 19 December 1946, it was not until a year later, on 23 December 1947, that the French Government of the day formally recognized the impossibility of reaching an agreement with Ho Chi Minh and decided to explore the possibilities outside the Viet Minh—in other words to approach Bao Dai, then in exile in Hong Kong. It was not until 5 June 1948, in the agreement of the Bay of Along, signed by the French High Commissioner Emile Bollaert and Bao Dai, that France recognized the principle of the unity of Vietnam—that is, the inclusion of the former colony of Cochinchina with the protectorates of Annam and Tonking in an independent Vietnam (a recognition which, if granted to Ho Chi Minh in the Fontainebleau negotiations of July 1946, might conceivably have averted the Indo-China war). And when Bao Dai did return to Vietnam as its Chief of State, he brought with him only the agreements of March 1949 which granted his country merely the somewhat limited 'independence within the framework of the French Union'. It was not until 3 July 1953 that France promised Vietnam complete independence, and even that generous though belated gesture was not to be implemented, and then incompletely, until the declaration of independence of 28 April 1954. Small wonder, perhaps, that the more extreme of Vietnam's non-Communist Nationalists should at times have felt their confidence in the 'Bao Dai experiment' flagging.

It would be a mistake, however, to take an exaggerated view of Bao Dai's unpopularity. Specifically, he can count, for instance, on the loyalty and support of the four militant religious communities of Vietnam. Three of these are in Cochinchina (South

ietnam): the Hoa-Haos, who style themselves neo-Buddhists, ie Caodaists, who practise an eclectic faith borrowed from various lder religions, and the Binh Xuyen. Between them, the Hoa-laos and the Caodaists, who are united by an alliance and im-lacably opposed to the Viet Minh, number some 3 million adher-nts. The Hoa-Haos have 40,000 men under arms and the Caodaists 18,000. The Binh Xuyen, a less important sect, have a orce of about 2,000 men, consisting mainly of personal followers f 'General' Le Van Vien, who at one time ran the 'Grand Monde', he best-known gambling establishment in the Far East, in Cholon, he Chinese town adjoining Saigon. The fourth militant religious community is that of the Catholics of North Vietnam, who live in the two areas surrounding the bishoprics of Phat Diem and Bui Chu, in the Red River Delta. Their militant arm is known as the Unités Mobiles pour la Défense de la Chrétienté, or U.M.D.C. The Catholics, who in the earlier stages of the Bao Dai experi-ment were uncertain which way to turn, although naturally opposed to the Viet Minh on religious grounds, rallied to Bao Dai unequivocally after the recognition of his regime by the Vatican on 12 March 1950.

In principle, the armies of the militant sects were incorporated into the Vietnamese National Army in 1952, but in practice they resisted absorption and under the general title of 'supplétifs' worked alongside the French Union Army, with French liaison officers attached to their respective headquarters. Their resistance to absorption, it should be explained, was due to a desire for local autonomy and not to opposition to the Bao Dai regime. Now, however, under an agreement reported on 10 April 1954, some 35,000 of these auxiliary troops, belonging to the Caodaists, Hoa-Haos, and Binh Xuyen, have signed an oath of 'unconditional support' for the Emperor and are to be paid by him. It is under-stood that this arrangement has been made possible by American financial aid[1], and its effect will no doubt be greatly to enhance the personal authority of Bao Dai.

Politically, support for Bao Dai is extremely difficult to evaluate, partly because personal loyalty to the Emperor, which is wide-spread, does not necessarily entail active support of his regime. This particularly applies to Tonking (North Vietnam), tradition-ally the cradle of Vietnamese nationalism. The country's political life, in any case, is in a state of suspension. Virtually the only

[1] *The Observer*, 11 April 1954.

political party of any consequence is the Dai Viet (Nationalist) party, whose principal figure is the dynamic Governor of North Vietnam, Nguyen Huu Tri; and even the Dai Viet is small in numbers. The two other main political groupings in the north, the Vietnam Quoc Dan Dang (the Vietnamese Nationalist Party) and the Dong Minh Hoi (the Revolutionary Vietnamese League) are officially dissolved, although they still function in a limited way. Both the V.N.Q.D.D. and the D.M.H., which were built upon Kuomintang support, are largely discredited through the Chinese Nationalists' military eclipse. In the south, another virtually defunct body is the League for National Restoration, the political arm of the Caodaists. The League was largely the creation of Tran Van Tuyen, at the time of writing the Manager of the Vietnamese official news agency, Vietnam-Presse. Tuyen, a Tonkinese and a fervent Nationalist, joined the Caodaists after resigning from the Tran Van Huu Government in 1951. At one time he claimed a membership of two million for the Restoration League, but it is clear that this impressive figure was obtained merely by registering every inhabitant of Tay Ninh province, the Caodaist area. Through all his frequent changes of 'line' Tuyen has remained an unwavering supporter of Bao Dai.

Apart, then, from the religious communities, it is clear that Bao Dai's principal support comes from the intellectual political circles of the cities—necessarily a small, though important, section of the population. And even among these circles support is not unwavering. The 179 delegates who attended a Nationalist Congress in October 1953 (211 had been invited) were far from unanimous in their support of Bao Dai. Many of them were outspoken in demanding more energetic action from the Emperor in securing the substance of independence from the French, despite an appeal by Prince Buu Loc, then High Commissioner in Paris and now Prime Minister, for moderation, and the need of French support for a young nation struggling for national survival.[1] One Nationalist, Nguyen Phan Long, inspired perhaps more by nationalistic fervour than by a sense of the practical, said on 6 December that the Emperor 'seemed determined to hold back and await developments'. He took the view that Vietnam should act without delay on the French promise of independence of 3 July 1953.[2] It took Prince Buu Loc three weeks in December 1953 to January 1954

[1] *Manchester Guardian*, 13 October 1953.
[2] *The Times*, 7 December 1953.

a Government. His principal and avowed aim was a
ıent of national union representing the main, political
he religious sects, and the regional interests. Nationalist
:es and unwillingness to co-operate forced him to
the project, and on 12 January he formed, instead, a
ıent of technicians, judiciously chosen to comprise six
n the north, two from the centre, and seven from the
should be noted, however, that previous administrations,
even that of Nguyen Van Tam, which had at least a
ative appearance, were in fact even less representative
absence of general elections would lead one to expect: in
es the men of different parties who composed these
ministrations had no official mandate from their parties,
ly served as private individuals.
ationalist Congress and the abortive Buu Loc negotia-
ch followed it may be regarded as the low water mark of
s personal prestige. There can be no question, however,
Buu Loc administration's success in negotiating the
ence treaties with France has largely restored the Em-
anding in Vietnam, particularly after Bao Dai's own suc-
llying the sectarian armies to his personal command. This
nent was apparent even in April, when two resolutions
e to Bao Dai were published. The first, on 2 April, was
the military leaders of the Caodaist, Hoa-Hao, and Binh
cts, and by representatives of the Catholics and the Dai
pledged themselves to close collaboration against Com-
The second, on 9 April, committed the three sects and
lics (though not the Dai Viet) to unconditional support
ai 'in his struggle for the total independence of Vietnam
beration of the Vietnamese people from the 'Communist
t the great question-mark remains the absence of general
in Vietnam. Bao Dai at one time held the view that elec-
e possible in the pacified zones of Vietnam, and by the
f 1952 no fewer than thirty projects for a National
had been studied. But in the event it has been found
able to hold general elections, and the only test of public
o far has been the municipal elections of February 1953,
,000 villages and five major towns in the pacified areas.
er of voters is also of interest. In Annam, the Emperor's
vince, it reached 92 per cent of the electorate, but in
it was only 73 per cent and in Hanoi itself as low as 54

per cent. The average poll for the entire election was 80 per cent.

These figures are significant if one bears in mind that the elections were in areas supposedly favourable to Bao Dai. Since the Viet Minh still control more than half the country in terms of population, the results of a general election might be startling. It should be remembered that despite the Viet Minh's acceptance of aid from China, traditionally the enemy of Vietnam, Ho Chi Minh still appears to the majority of Vietnamese peasants as a liberator. Until the siege of Dien Bien Phu, in which, according to the French Union Commander-in-Chief, General Henri Navarre,[1] a Communist Chinese anti-aircraft unit was in action, there had been no Chinese combatants in Indo-China. The peasant, ignorant of politics, knows only this, that on one side there are Vietnamese troops (the Viet Minh Army) and on the other not only Vietnamese (fighting either in the French Union Army or in the National Army) but also 'foreigners', that is, Frenchmen, Senegalese, Tunisians, Algerians, Moroccans, and Germans of the Foreign Legion. His tendency is to regard Ho Chi Minh as a nationalist and his fellow-countrymen on the opposite side as puppets of a colonial Power. That this is no longer so, and that by accepting massive Chinese aid Ho Chi Minh has himself surrendered a portion of his independence, passes over the peasant's head. A recent arrival in Britain from Vietnam has reported the gloomy estimate that under present conditions about 80 per cent of the population of North Vietnam would vote for the Viet Minh. In the centre and south the voting might, of course, be more evenly divided, and in some areas might show a majority for Bao Dai. But those who advocate general elections should have some conception of the strength of the Viet Minh, not merely because of the presence of the French in Indo-China but also because of terrorist threats to a largely apathetic peasantry.

The development of the Vietnamese National Army, potentially the strongest force in South-East Asia, should be viewed in the same context of a continued French presence and tutelage. In an important statement on 16 February,[2] the Chief of Staff of the National Army, Brig.-Gen. Nguyen Van Hinh, announced that the Army already numbered 218,000 men and would reach at least 330,000 by the end of the year. Whether that figure is ever reached depends as much upon political developments at Geneva and military developments in Vietnam as upon the success of the pro-

[1] *The Observer*, 9 May 1954. [2] *The Times*, 17 February 1954.

of expansion. What is certain is that at present the
Army is not yet a match for the Viet Minh Army, either
lly or in terms of fighting efficiency. The Viet Minh
w probably numbers about 379,000 men, of whom some
re regulars. But it is an army trained and tested in battle,
n and a half years of operational experience behind it;
moreover, led by a commander-in-chief—General Vo
Giap—whose extraordinary military aptitude is ac-
ed on the French side. In contrast, the National Army is
and relatively untried organization. Officially formed in
nade little progress until the flow of American equipment
make itself felt in 1952. During the past eighteen months,
ther manpower nor equipment has been a problem, its
as been limited by the inevitable delay in training officers.
ining School at Dalat turns out 200 officers every nine
nd there are efficient regional military schools at Hanoi,
Saigon. But the Army, impressive in parade, has been
disappointing in performance: it is easier to build an
n to make it fight. Under French officers, Vietnamese
ave been successful even in the vital battleground of
ietnam; but when last year the defence of the Catholic
of Bui Chu was entrusted to the National Army, two
s defected to the Viet Minh with their arms and equip-
practice, the principal use of the National Army has been
latively passive role of policing the 'pacified zones' of
etnam, thus freeing French Union troops for combatant
the north.

isidering the performance of the National Army it is
to avoid the observation that a French declaration of
n status' for Vietnam made upon the return of Bao Dai in
tead of five years later, might well have provided these
ps with the kind of spark that has made the Viet Minh
o formidable in battle. But the National Army remains a
power. Indeed a problem which the Western Powers
e had before them at Geneva is the danger of the ab-
of the National Army by the Viet Minh. Any settlement
d the way for a coalition of Viet Minh and 'Baodaist' po-
vould contain such a possibility; and a Vietnamese force
y the amalgamation of the Viet Minh and National armies
ve a serious menace to the rest of South-East Asia.

nparison with Vietnam, the sister states of Laos and

Cambodia require relatively little space in a survey of the Indo-China problem. Their predominantly Buddhist populations are, broadly speaking, staunchly anti-Communist, and, in the case of Laos, pro-French. In Cambodia, dissident bands known as the Khmer Issaraks, largely infiltrated by Vietnamese and supported by the Viet Minh, have from time to time committed acts of terrorism. One or more of these bands, having seized a portion of Battambang province in westernmost Cambodia, is claimed by Communist spokesmen to have formed a Government. In Laos, the so-called Government of Pathet Lao, under Prince Soupanna Vong (half-brother of the Premier of the French-supported Laotian Government, Prince Soupanna Phouma), was set up with the support of the Viet Minh force which invaded Laos in April 1953.[1] It appears to control a small area of Samneua province in easternmost Laos. Both Laos and Cambodia have held free general elections. Franco-Laotian relations have been settled in an agreement recently concluded, and Franco-Cambodian relations are at present under discussion. In both countries independence from France has gone considerably farther than in Vietnam, and French troops are present only in certain areas and by mutual agreement

The French agreements with Vietnam, Laos, and Cambodia, either completed or still under discussion, probably represent the extreme limits of French concessions, short of abandoning the entire concept of the French Union. French opinion remains profoundly divided on the Indo-China issue. The Gaullists on the extreme Right have long opposed the war on the ground that it has dissipated French strength; on the extreme Left the Communists, for different and evident reasons, have likewise opposed it, with the wavering support of the Socialists. Only the Popular Republicans (M.R.P.), a section of the Radicals, and various smaller groups have supported its continuation. After the defeat of Dien Bien Phu, it is probably true to say that public and political opinions are now agreed upon one dominant aim—the safe withdrawal of the French expeditionary force, at as early a date as is consistent with France's international obligations. General Navarre in his statement on 8 May[2] may be said to have given advance notice of the amended French attitude when he said that in his view the war would have to be internationalized if the Geneva Conference failed to bring hostilities to an end.

B. C.

[1] *The New York Times* (International Edition), 12 May 1954.
[2] *The Observer*, 9 May 1954.

Radio in the Cold War

VAST sums of money are being spent every minute to keep up an incessant flow of news, comment, and plain propaganda from hundreds of broadcasting stations all over the world. Broadcasting is one of the major fronts of the cold war and it is the only one on which the U.S.S.R. and her satellites have been forced on to the defensive over a considerable period of time. This does not mean, however, that there has been no vigorous action on the part of the Communist broadcasting organizations; but their overall task is much more difficult than that of their Western counterparts, for they not only have to produce their own broadcasts but must also try to keep out the many voices of the opposing camp. The Western broadcasting organizations, on the other hand, are not concerned with silencing the other side and are therefore free to concentrate on putting their material on the air and getting it across to their audience. Positive action usually generates a good fighting morale—in this particular connection this has not been without effect on the relative quality and usefulness of broadcasting in the cold war.

Owing to its geographical position and to the great number of set-owners, Europe is the cockpit of the radio war. In an article of this length it is impossible to mention all the protagonists in the broadcasting world, and Europe must be the centre of attention. Almost all European countries, with the refreshing exception of Portugal, have their foreign language services, and additional broadcasts pour in from the other side of the Atlantic and even from the Pacific area. Quite a number of broadcasting organizations in Europe, particularly in Scandinavia, concentrate on the purely informative side by permitting a number of straightforward news bulletins to speak for themselves. The majority of European countries, however, presumably find it useful to augment 'the plain unvarnished truth', as represented by ordinary news bulletins, with a large amount of comment and interpretation. The purest newscasts are probably those transmitted by the United Nations from Lake Success and Geneva.

THE FAR AND MIDDLE EAST

The Far East, where the cold war has been hotted up in recent years, is a comparative backwater of the radio war, largely because of the small number of receivers available to the population. This

does not prevent Asian countries from adding their voic
universal hubbub. The wars in Korea and Indo-China
was only to be expected, pitted the combatant sides ag
another over the air as well as in actual battle. Radio Pekir
keeps up a round-the-clock service for South-East Asia,
larly for Chinese residents abroad, also broadcasts in Er
listeners in Europe. The Indian and Pakistani broadcastin
have their own antagonism over Kashmir to project,
find time to broadcast informative bulletins in English a
European languages for audiences in Europe.

The Chinese Nationalists on Formosa have a powerf
mitter at their disposal which enables them to provide a
listening alternative to Radio Peking's home service. Th
casting Corporation of Japan has also joined in the fray
ternal services have left the experimental stage, and s
summer a nine-hour daily service in Japanese (for Japanese
English, Portuguese, Mandarin, and Indonesian has bee
ing successfully. Australia broadcasts purely informative
English, French, Indonesian, and Thai.

The Middle East has its own little conflict of Arab ag
to worry about. Radio Damascus broadcasts in Hebrew an
German and Serbo-Croat to Jewish immigrants in Is
Radio Cairo has become the more or less authoritative vo
Arab League. The 'Voice of Israel' from Jerusalem retali
transmissions in Arabic and Turkish, as well as Eng
French. It also has to cope with Yiddish propaganda from
and Bucarest, which tries to reach East European Jews
Israel, making great play with the economic hardships im
them in their new home. Israel replies in Rumanian an

Cairo is the busiest broadcasting station in the Mid
Apart from broadcasts supporting the Arab cause it
special Koran transmissions for the Islamic world. T
religious broadcaster of the Islamic world, of course,
Mecca. Teheran provides a number of bulletins in English
German, and Russian. A piquant sideline in Middle Ea
casting is displayed by Radio Rabat, which beams M
propaganda to Spain and Spanish Morocco.

RADIO MOSCOW

The Soviet Radio Committee bestrides the Communis
casting world like a colossus. The satellite broadcasting

tions have integrated their services in the overall scheme of Communist broadcasting by means of a series of bilateral agreements with the U.S.S.R., most of which were concluded last year. Unfortunately, official statements merely refer to co-operation in general terms, and only the increasing use made by Radio Moscow of satellite frequencies and technical equipment provides clues as to the true character of these agreements. Thus, for instance, before the last federal election in Germany, Moscow in German was carried on one of Czechoslovakia's home stations during peak listening hours in the evening.

Radio Moscow itself operates through a vast network of short-wave transmitters in all parts of the U.S.S.R., reinforcing them with medium-wave stations and satellite transmitters at peak listening times.[1] The U.S.S.R. also makes use of nine satellite stations at varying times. In October of last year the total weekly output of Radio Moscow's foreign services was just over 603 hours a week. Over the last twelve months Radio Moscow's external services have been reduced by almost 100 programme hours each week. On the other hand key services such as Arabic, Persian, and Bengali have been slightly increased. Small-scale reductions have been made in transmissions in West European languages and Mandarin. (Mandarin, Italian, and French broadcasts take up twenty-one hours each week). Broadcasting in English, edited separately for the United Kingdom, North America, the Far East, and South-East Asia, remains among Moscow's major efforts with about ninety hours a week, of which more than half is intended for North America and about a third for the United Kingdom. The satellites are given ten to fifteen hours per week each, and twenty-one hours are devoted to Latin America. It is surprising that Moscow's services to Germany and Yugoslavia have suffered the most drastic reductions: at the end of 1952 Moscow in German broadcast for fifty-six hours a week, while at the end of last year this had been reduced to thirty-five. Moscow in Serbo-Croat suffered a similar reduction from thirty-one to fourteen hours a week, over the same period of time.

The European satellites, with the exception of Eastern Germany, all run their own external broadcasting services. Two years ago they still broadcast to one another, but that obviously redundant aspect of radio propaganda has since been abandoned. They all

[1] Detailed broadcasting schedules of Radio Moscow are given in the *World Radio Handbook* 1954, pp. 56–7

give up about four hours of their daily broadcasting time f
of Radio Moscow's services to the West, and for part of t
all suitable satellite short-wave channels carry Moscow'
American service. With over 316 programme hours per w
Polish Radio is the Communist world's most active extern
casting service after Radio Moscow itself. The other E
satellites put out from forty-three (Albania) to about 110 (
slovakia) programme hours a week for abroad. The p
roughly identical, with broadcasts in West European la
Greek, and particularly Serbo-Croat taking pride of pla
informative bulletins in Russian are included. During the
satellite channels carry Moscow's North American se
English, together with a service of their own in English an
own languages, designed for the East European language g
the U.S.A. and Canada. The Albanian service is carried b
Sofia as there are no short-wave transmitters in Albani
broadcasts for 'native sons' are heavily tinged with nosta
sentiment, and the political aspect is not unduly emphasize
Kiev's transmissions in Ukrainian are similar.

THE VOICE OF AMERICA[1]

The United States Government's reply to the Communis
casting effort is the 'Voice of America', which has grow
gigantic organization, controlling the world's most powerf
mitters[2] and a chain of relay stations located in Britain, G
Greece, the Dodecanese, Tangier, Ceylon, Hawaii, Okina
the Philippines. Recently the 'Voice of America', which
trolled directly by the State Department, has reduced its
but it still broadcasts in thirty-four languages every day o
100 frequencies. While its total output is not as vast as
Radio Moscow, its broadcasting pattern is much more
enabling it to increase and reduce broadcasts effectively w
needed.

THE B.B.C.

The B.B.C. has been the technical and ideological pi
external broadcasting, and its wartime services to occupied
established an unexpectedly high standard of radio jou

[1] An authoritative analysis of Western broadcasting policy, particu
regard to the Voice of America and the B.B.C., is given by E. Tangy
the *BBC Quarterly* (Winter Number 1949).

[2] The 1,000 kw transmitters at Munich and on Okinawa.

The general policy of the programmes in the external services must, of course, be in line with the policy of H.M. Government.[1] The General Overseas Service serves the Commonwealth and the English-speaking world in general. During the period of intensive cold war—which included the jamming campaign—there has been a slight reduction in output to Western Europe and, more noticeably, to Latin America. But in spite of retractions of services and other economies, the European Services as a whole still amount to approximately half the output of B.B.C. External Services.[2] They are still able to draw on the reputation built up during the war, and their news bulletins enjoy an unrivalled reputation for objectivity and accuracy.

The B.B.C. relays some of the European foreign language programmes of the Canadian Broadcasting Corporation, which broadcasts for about sixteen hours a day in fourteen languages to Europe, Latin America, and the Caribbean. The B.B.C. itself enjoys relay facilities in various parts of the world: thus, for instance, some of its programmes are regularly carried by the Austrian and West German networks.

OTHER ASPECTS OF THE EUROPEAN SCENE

The other major external broadcasting services in Western Europe are operated by the French and Italian networks. France has an overseas service in French, which is somewhat similar to the B.B.C.'s General Overseas Service. Its European service specializes in Central European affairs, and it also broadcasts talks in French for Central European listeners. Paris Radio produces about fourteen programme hours daily for Europe.[3]

The foreign services of the Italian Radio are much more ambitious. Rome is on the air for well over thirty hours a day in a large variety of languages, including, of course, transmissions for the U.S.S.R. and the satellite countries, special transmissions for

[1] For a detailed analysis of the relationship between the Government and the B B C. see the White Paper on Broadcasting Policy (Cmd. 6852, July 1946).

[2] The Committee set up under the chairmanship of Lord Drogheda to inquire into Britain's oversea information services as a whole in its recently published Report (Cmd. 9138 of 1954) recommends as a possible economy the discontinuance of B.B C services in French, Italian, Danish, Dutch, Norwegian, Portuguese, and Swedish. At the same time it advocates a considerable increase of activity and expenditure in other directions, including a restoration of the Latin American services and the allocation of more capital expenditure for technical development, particularly in the Far East. The Report also states that both the Americans and the Russians are in advance of the B.B C. in the development of transmitters near target areas.—*Ed.*

[3] Excluding 'French by Radio', which is also broadcast to this country.

Australasia, and bulletins in Arabic, Urdu, Mandarin, and Indonesian. The Italian service for East Africa has recently discontinued its bulletins in the native languages of the former Italian colonies and limits itself to English and Italian. The tenor of Italian broadcasts to Communist Europe is right-wing, but it does not approach the vehemence of the propaganda produced by Radio Madrid's small-scale service for Communist Europe.

Germany has its own particular broadcasting set-up; all the large broadcasting services transmit special bulletins for Germany, but the real issue is being fought out between the West and East German home services, which are easily received throughout the country. The Communists have made some effort to jam the West German networks and particularly programmes specially designed for Eastern Germany, but they have been unable to prevent the growth of a large audience in the German Democratic Republic, which has even succeeded in establishing close contact with West German stations. R.I.A.S.[1] has been outstandingly successful in this respect and is consequently one of the German Communists' pet aversions.

The initial moves for a West German short-wave service for the outside world have already been made. The West German networks have pooled their resources for this purpose to set up the 'Deutsche Welle' organization. It already broadcasts in German for the Far East and the Pacific, the Middle East, Africa, South America, and North America for fifteen hours a day. Later this year programmes in English, French, Spanish, and Portuguese will be added. The construction of a 200 kw short-wave transmitter for the 'Deutsche Welle' at Juelich will also be taken in hand this year.

Radio Yugoslavia stands apart in the cold war. It strongly opposes the U.S.S.R., but puts out a fair amount of Socialist and Communist propaganda to prove to listeners in the European satellite countries that the orthodoxy of Communism resides in Belgrade, and not in Moscow. The Yugoslavs have recently made drastic cuts in their foreign service, bringing it down to a mere six hours a day by a particularly stringent reduction carried out last January. Transmissions in Italian and German have been abandoned and bulletins for the satellite countries have been cut.

Religious broadcasting also plays a part in the cold war. Radio Vatican, which commands excellent technical resources, broad-

[1] R.I.A.S.—Radio im Amerikanischen Sektor, Berlin.

casts to all the satellites and to Russia, even though its service has been one of the most long-suffering victims of Communist jamming. Its bulletins consist largely of Catholic news, sermons, and talks about the persecution of the Roman Catholic Church behind the Iron Curtain. It is worth noting that the United States Protestant Evangelical organizations have been buying radio time on commercial stations in the European zone for some time.[1]

The political characteristics of the cold war are particularly favourable for the operation of clandestine means of disseminating information and for the exploitation of the romantic associations of this method of undercover work. The fact is, however, that, as far as is known, there is no actual underground broadcasting station appealing to a wide audience in existence in Europe today. The stations which operate in this cloak-and-dagger fashion are all located outside the countries for which their broadcasts are intended. Their exact locations are, of course, not generally known.

RADIO FREE EUROPE

Comparisons between the times devoted by Radio Moscow on the one hand and by the B.B.C. and the Voice of America on the other to their audiences in satellite Europe are apt to be misleading. At the moment it is here that the most important battle of the radio war is being waged; but the contestants are not the external services of the two sides, but the foreign language services of the West and the home services of the satellite countries themselves. The activities of Radio Moscow are relatively unimportant in this connexion, but the Western radio services are faced with the task of opposing the tremendous propaganda effect of the hour-by-hour broadcasts of the satellite home services, which enjoy the great advantage of being on the spot and of approaching their listeners through more varied means than the eternal news bulletin and commentary of the external broadcast. Literary features, broadcasts for special groups, such as women, children, farmers, and so on, and even concerts are being given a political significance, and it is difficult to oppose such a massed array of weapons with thirty-minute transmissions, although the importance of truthful information as a morale-builder can never be overestimated.

A private American organization, the National Committee for a Free Europe, decided to fill this breach and to provide a real alternative to the satellite home services. Its broadcasting station,

[1] Notably Radio Luxemburg and Tangier.

Radio Free Europe, started full-scale operations in 1951. It is situated on the very edge of the Iron Curtain, in Bavaria, and its twenty-one transmitters in Germany and Portugal are among the most powerful in Europe. Radio Free Europe is on the air each day with a day-long service for Czechoslovakia, Poland, and Hungary, carried on medium-wave channels and designed as a real alternative to the programmes provided by the satellites for their home audiences. Brief news bulletins are broadcast every hour. In addition, Radio Free Europe operates a short-wave service for Bulgaria and Rumania, consisting of a number of short transmissions along conventional lines. A similar service for Albania has recently been abandoned. Radio Free Europe has displayed some imagination in its efforts to reach its target audience, its latest move has been the use of a mobile medium wave transmitter in Bavaria which is expected to make jamming more difficult.

Radio Liberation, also domiciled in Munich, is Radio Free Europe's counterpart in relation to the U.S.S.R. It is sponsored by the American Committee for the Liberation of the Peoples of Russia and began broadcasting last year. Its Russian service still consists mainly of news transmissions, and it also broadcasts news bulletins in the languages of some of the non-Russian peoples of the U.S.S.R.

There is also a United States National Committee for a Free Asia, but its broadcasting organization, Radio Free Asia, has no station of its own and limits its work to the provision of technical assistance to other broadcasting services.

TACTICS AND STRATEGY

The number of channels available on the air is necessarily limited and there is a constant fight for frequencies between the opposing camps. The Organization Internationale de Radiodiffusion, formed after the last war, soon came under complete Communist domination like some other international organizations in Europe. Together with the International Telecommunications Union, a United Nations agency, it sponsored the so-called Copenhagen plan in 1948 which attempted to allocate the available frequencies in the European broadcasting zone. It must be stated that the United States, although a member of the International Telecommunications Union, has never been a party to the Copenhagen agreement and has had nothing to do with the O.I.R. The other Western nations, including Britain, have since formed a broad-

casting organization of their own, and the O.I.R. now represents only the Communist bloc, including China. Britain and the United States have been repeatedly accused of 'piracy of the air' by the O.I.R.—it is claimed that the United States uses thirty frequencies in Germany instead of the two allocated for this purpose by the Copenhagen plan and that Britain has 'stolen' three frequencies in Germany and five in Austria.

The Communists decided in 1949 that they would try to keep out Western broadcasts. That year was a milestone in the radio war: it witnessed the beginnings of the most costly and extensive jamming operation on record. There is no comparison between the wartime jamming of the Germans, which merely distorted transmissions and made listening difficult, and jamming as practised by the Communists, which completely blots out the offending station. Hundreds of transmitters must be involved; sometimes whole wave bands are jammed just on the chance that they may contain a Western transmission. Unconfirmed reports by Polish refugees say that in Poland the jamming in certain areas is directed by special monitoring vans, which cruise around the country checking on reception conditions. As soon as a Western broadcast becomes audible the jammers are called in. The U.S.S.R. has its own jamming stations and the satellites have theirs too. The satellites jam in accordance with local needs and conditions. Then there must be a centrally directed network of jamming stations all over the Communist world, which operate according to plan. The ordinary listener in Western Europe can see the effects of this policy for himself just by going through the short-wave band of his wireless.

In reply, the Western stations have tried to outflank this jamming by building more and stronger transmitters, by co-ordinating their operations, and by concentrating the output of a group of transmitters on one target in the hope of outdoing the jammers. This last process is known as beaming. Smaller transmitters literally dodge around in the air to evade the jammers; they keep on slightly varying their frequency all the time, and the disgust of the would-be listener can well be imagined.

So far the satellite regimes have refrained from issuing a prohibition against listening to foreign radio stations. The futility of such an order was best demonstrated during the last war. But listening to Western stations is discouraged by all the means at the regimes' disposal, and Western broadcasting stations and broadcasters are targets of frequent abuse in the press and are often linked with

some of the show trials which have been staged in the Communist world to demonstrate their demoralizing influence. Jamming has proved more effective in combating short-wave broadcasts than even the German practice of mutilating existing wireless sets.

An entirely new problem was posed for the Communists by the emergence of Radio Free Europe. Medium-wave transmissions are much more difficult to jam than short-wave broadcasts, and listeners in Czechoslovakia and Hungary have always made use of the opportunity of listening to the Austrian home service. By concentrating on medium-wave broadcasts, by the strength and proximity of its transmitters, and by beaming, Radio Free Europe appears to have overcome the jammers for the time being.

The Communists at first attempted to make medium-wave listening difficult by reducing the production of strong wireless sets, but Radio Free Europe is strong enough to make itself heard on even the weakest receiver in Eastern Europe. And so the Communists have decided to introduce 'wireless with wires'—in other words, the system of wired radio known in this country as radio diffusion. The propaganda machine in all the satellite countries has already begun to sing the praises of the new system: the wired loudspeakers are said to be cheaper, simpler, and better than conventional wireless sets. Considerable progress has been made in Bulgaria and Rumania with the introduction of this system, which is also used in the U.S.S.R. In Poland the ratio between wireless and wired radio seems to be about half and half.[1] Small beginnings have been made in Czechoslovakia. All the satellites now relay Moscow's programmes for their country on their own home service to enable them to reach radio diffusion listeners.

The complete elimination of wireless sets and the general introduction of wired radio would win the radio war for the Communists. It is unlikely, however, that this final horror of the 'Big Brother' system will be reached in the foreseeable future—there will still be wireless sets in Eastern Europe in 1984. As long as there exists a single set, some of the Western broadcasts will get through. There are too many transmissions and too many people willing to listen to them—at least from the jammers' point of view.

J. A.

[1] *Glos Pracy* (7 May 1953) gives the number of wireless set owners as 1,119,262 and that of 'listeners to programmes from loudspeakers' as 1,092,171.

ıture of the European Payments Union

ean Payments Union, which was set up in 1950, is a
acilitating payments for intra-European trade by en-
nember countries to meet balances of indebtedness to
· partly in credit. Debtor countries become debtors of
nd creditor countries become creditors of the Union for
s so met. The amount of credit to be allowed is limited
of quotas. Each member country is assigned a quota,
d approximately to its trade within the Union, and is
meet debits up to one-fifth of the quota wholly in
ther indebtedness has to be met partly in gold (or
ollars) according to a sliding scale. Similarly a creditor
epts discharge wholly in credit up to one-fifth of its
thereafter receives a proportion in gold.

ended that any country's debit or credit in excess of its
d be met wholly in gold. At a time when most of the
untries were very short of gold reserves, the credit
forded by the Union were a reinforcement of the
the purposes of the debits arising out of their trade
other. It was hoped that the prospect of having to pay
roportion in gold would deter members from abusing
, and would be an inducement to any debtor country to
restore equilibrium in its balance of payments in good

e been any well recognized remedy for an adverse
scheme might have so worked that debtor countries
· countries alike would have taken timely measures, and
ımulated debits nor accumulated credits would ever
ed their respective quotas. But only too often monetary
of the present day, when confronted with an unbalance,
quite at a loss. At any rate among the members of the
its or credits have been apt to exceed quotas, and the
oncerned are sometimes quite unable to correct the
ny less summary method than a direct restriction of

of excesses in full in gold has not been enforced.
npromise arrangements have been adopted, and the
grown up of requiring payment of one half only in

gold, credit being allowed by the Union to the debtor or by the creditor to the Union for the other half.

Member countries have thus frequently allowed debit or credit positions to grow in excess of their quotas. The position as at 31 March 1954 was that Germany, Belgium, and Switzerland had excess credit positions, while France had a heavy excess debtor position Great Britain incurred an excess debtor position in 1952, but has since brought it down within her quota. The British quota of $1,060 million however is more than double that of any other member country, and her net debit of $791·7 million is still very high.

Belgium has been a consistent creditor throughout the four years that the Union has been in operation, and special arrangements have from time to time been made to deal with the excess over her quota, that is to say to avoid paying her the whole excess in gold.

Germany started as a heavy debtor, and special credits were allowed her to give time for remedial measures. Fiscal and credit measures, along with the economic recovery which Germany had been experiencing since the monetary reform of 1948, quickly restored equilibrium, and Germany has now become the Union's biggest creditor with a net creditor position of $990 million, being nearly double her quota of $500 million. France has an accumulated debit of $855 million, comparing with a quota of $520 million. (It should be mentioned that these credits and debits *include* the portions which have been discharged in gold.)

The European Payments Union was agreed to for a year ending on 30 June 1951, and has since been renewed from year to year. It is an offshoot of the Organization for European Economic Co-operation, and its renewal is in the hands of the Council of Ministers of that body. The renewal, if agreed to at all, provides an opportunity for a reconsideration of its terms. Every member country comes to the Council with a completely free hand. Renewal means continued acceptance of the fundamental principle of allowing settlements partly in credit and partly in gold, but in detail the conditions can be varied by agreement.

A meeting of the Council on 5 and 6 May was attended by Mr Butler as British representative. Negotiations had already been in progress for some weeks. The principal creditor countries, Germany, Belgium, Holland, and Switzerland, were not willing to agree to renewal unless something was done to liquidate old debts.

rt of the existing terms of the Union that, if it were
d, all indebtedness would be paid off in three years
ıerwise agreed). The creditor countries proposed that, as
n of renewal, debts and credits which have been out-
nore than eighteen months be reimbursed within three
ey also wanted a higher gold proportion in payment to a
ountry exceeding its quota.

eat Britain, the whole of whose remaining indebtedness
£200 million goes back to 1952, this would have had the
ıcial effect as the liquidation of the Union. Mr Butler was
to agree to an immediate cash payment of, say, £30
ut would only fund a part of the balance of the British
proposed funding over a period of seven years. The rest
nain outstanding, repayment depending on surpluses
o Great Britain in the monthly settlements.

ıl for one year after 30 June 1954 was agreed to in
Debtor countries were to make cash payments in part
., and a substantial proportion of the rest was to be
:aving a balance of about one-quarter or three-eighths to
within the Union). Arrangements could be made, if a
reed, for the funded indebtedness to be in marketable
part of the Union's own reserve resources (possibly as
160 million) would be drawn upon and distributed to the
ountries.

may be asked, have these questions come to a head just
part explanation, no doubt, is that the occurrence of
l credits in excess of quotas reveals a flaw in the working
heme, and it is only with the lapse of time that the
of these excesses becomes clear. If the excesses can no
regarded as casual, something ought to be done about

ıy has provided an example in the matter. Her own excess
)50–1 was successfully cured by fiscal and credit measures
:rvative character. Ought not the debtor countries of the
me to adopt similar measures? Would not pressure by the
duce them to do so?

debtor countries have it in their power to restore their
n the Union, they might be able to go further and regain
m in their balance of payments with the world. The way
open to free convertibility of currencies.

underlying the controversies of the E.P.U. is the belief

that convertibility of the pound sterling is coming into sight, and the convertibility of the German Mark and other currencies would follow. Free convertibility of Western European currencies into gold (and therefore into American dollars) would make the further continuance of the E.P.U. unnecessary. The effect of part settlement in credit is that the creditor countries help to support the debtor countries at the expense of their own reserve position. A member country may be a creditor within the Union and yet a debtor in its transaction with the rest of the world; its attainment of convertibility may be delayed if, by remaining in the Union, it forgoes part of the gold payments which it might otherwise receive.

At the end of the Council's proceedings Mr Butler declared the ultimate objective to be 'a wider system of trade and payments'. He looked forward to a collective approach to convertibility—'we want to carry with us as many nations as possible.'

Convertibility is the aim, and Germany, inspired especially by Herr Erhard, seems to be taking the lead. Her experience suggests that measures of fiscal and monetary prudence, not to say severity, point the way. The German Bank rate was raised from 4 to 6 per cent in 1951. The reduction of the Bank of England's rate from 3½ to 3 per cent on 13 May cannot be expected to favour the objective.

R. G. H.

German Reparations to Israel

The 1952 Treaty and its Effects

THE reparations treaty concluded between the German Federal Republic and the State of Israel is a unique political and economic phenomenon.

In general, reparations imposed by a victorious nation on a vanquished one have the character of an obligation imposed by force. This character is obviously lacking in the treaty signed on 10 September 1952 by Dr Adenauer and Mr Sharett, then Israel's Foreign Minister and now her Prime Minister. But quite apart from this, the contents of the treaty, the nature of the damages for which it is intended to make reparation (6 million Jews massacred

ns more ruined), the bitter controversy it has aroused
ermany, in Israel, in the Jewish world, and in the Arab
and the inevitable resumption of contact which it
it about between Germany and Israel, the last countries
d from whom any such rapprochement might have been
o soon—all these factors combine to make the treaty a
detailed study.

early to write the full history of German reparations to
e Government of Israel still preserves a discreet silence
the origin of the negotiations and their preliminary
iich were conducted in secret. The reparations them-
only be obtained in full and make a contribution to the
nt of the State of Israel if Germany honours her sig-
o the hilt, that is to say, if the twelve annual instalments
are duly paid. But it is already possible to survey such
e known, and thus to attempt a reply to some of the
raised by the treaty—such as, for example, what the
represent; why they are being met and how; what
is led up to the treaty; what the people of Germany
think of it; what is the position of the Arab States and of
ermany; and what is the real aim of the treaty.

reparations to Israel, and to the major world Jewish
ns grouped together in a conference on Jewish Material
ainst Germany, represent in money a sum of 3,000
utsche Mark, to be paid in goods, coupled with the
of legislation to ensure to the victims of Nazism the
of plundered goods and compensation for losses sus-

ins of the treaty go back to 1950. On 24 October 1950
nments of the U.S.A., Great Britain, and France ad-
Note to Israel (as well as to fifty-four other countries)
g their intention to take legal measures to put an end to
war with Germany, and they suggested that the Israel
nt should, if it thought fit, adopt similar measures.

nuary 1951 Israel replied in a Note[1] to the four Powers
Germany in which she emphasized that she could not
king similar action, but asked that the four Powers, in
e agreements with Germany, should reserve for Israel

and subsequent documentation see Israel: Ministry for Foreign
*ments Relating to the Agreement between the Government of Israel
rnment of the Federal Republic of Germany* (Government Printer,
153).

the right to put forward a claim on behalf of the Jews persecuted under Hitler. Without entering into detail over her claims, Israel emphasized that, as a country with a large Jewish immigration, she was particularly qualified to speak in the name of the victims of Nazism. She asked that measures should be taken to (*a*) permit persons despoiled of their property who had left Germany to claim restitution; (*b*) give to persons having the right to restitution and compensation the legal possibility to transfer money and goods abroad.

Not till 12 March 1951 did Israel, in a further Note to the four Powers, demand reparations from Germany to a value of $1,500 million ($1,000 million from the Federal Republic and $500 million from Eastern Germany) for the 'gigantic massacre and spoliation of European Jewry under the Nazis' and as a contribution to the re-establishment of 500,000 survivors in Israel. This Note analysed what was in fact one of the most heart-rending chapters in the history of humanity; it pointed to the financial responsibility of the Bonn Government, which had recognized itself to be the successor of the Third Reich, demonstrated how the German people were continuing to enjoy the fruits of Nazi massacres, described the action taken by Israel for the resettlement of Displaced Persons, and maintained that the German people should contribute to the re-establishment of the survivors.

The German reaction to this Note came on 27 September 1951 in the course of a debate initiated by Dr Adenauer in the Bundestag on the subject of reparations to the Jews. After stressing in his speech that 'appalling crimes had been perpetrated in the name of the German people, which impose on us the obligation to make moral and material reparation', the Chancellor declared that his Government was ready to join with the representatives of Jewry and of the State of Israel in seeking a solution to the problem of reparations 'in order to revive the spirit of true humanity in the world'.

The official invitation to the negotiations was sent out by Germany. Doubtless the Israel Government, hampered alike by a public opinion hostile to the negotiations and by a parliamentary Opposition which relied on this hostility to enable it to thwart Government policy as a whole and so discredit the leaders, would have preferred, even at this stage, to reject discussions. Moreover, Israel had addressed her claims to the four occupying Powers, and had sounded them to find out if they would be prepared them-

:o present the claims to Germany. But the occupying had definitely refused, and consequently all the prelimin- :re carried out on behalf of the Israel Government and the ewish organizations through the intermediary of Dr Nahum inn, President of the World Jewish Congress. It was there- him that the Bonn Government, after a phase of secret :ions which still remains obscure, on 6 December 1951 ed the offer of official negotiations. And it was he who trans- to Dr Adenauer the Israel Parliament's decision of 15 y 1952 to accept direct negotiations.

THE NEGOTIATIONS

official negotiations lasted from 21 March to 27 August 'hey were long and difficult, weighed down by a back- of bitter ideological controversy both in Israel and in the world at large, by the slow emergence of a parliamentary ion in Germany, and by the intransigent hostility of the ates. In Israel itself, the passions unleashed by the opening iegotiations were such that efforts were made to keep the place secret for fear of terrorists, and the conference did in n in secret in The Hague.

nically, the negotiations were conducted at two separate me between the Governments of Bonn and of Tel Aviv, other between the Bonn Government and the Conference sh Material Claims against Germany. Consequently there Israel delegation, led by Mr Shinnar, Mr Josephtal, Mr ind Mr Barou; a Jewish delegation led by Mr Eastermann Leavitt; and a single German delegation led by Professor öhm.

's position was quite simple, being identified with the claim: this was to obtain as speedily as possible from Germany a contribution of $1,000 million towards the resettling 500,000 Displaced Persons. This contribution be made in the form of goods, it being understood that ould accept only capital goods but not consumer goods. aeli declaration at the opening of the negotiations stressed ael's claim bore no relation to the real value of the Jewish looted (which would represent a much higher figure), but ed on the expenditure actually incurred in resettling the ints. Neither could there be any question of regarding the t as a moral reparation.

The attitude of the Conference on Jewish Material Claims was more complex. As the representative of World Jewry, the Conference claimed the payment of a compensatory lump sum of $500 million in respect of heirless Jewish property, and, above all, it asked for the implementation of Dr Adenauer's promise to introduce overall legislation, applicable throughout the Federal territory, on restitution, compensation, and indemnification for all forms of persecution and spoliation, and for the extension of this legislation to those categories of persons whose property had been plundered but who were not yet beneficiaries under the differing laws of the various German Länder. An overall solution was in fact called for, given the great number of restitution and compensation cases and the differences in legislation of the various Länder and zones.

The task of the Germans at the opening of the negotiations was to translate into practical measures the declaration of principle made by Dr Adenauer. But from the outset the German negotiators emphasized Germany's limited capacity to pay, her financial obligations to other creditors, and her 'debts under the heading of war damage, expenses of Allied occupation, and repayment of pre-war debts'.

The negotiations fell into three distinct phases: first, preliminary contacts; secondly, rupture and behind-the-scenes negotiations; and thirdly, technical settlements.

Once contact had been established the conflict of views at once became apparent. On 31 March the German delegation proposed the sum of $750 million in settlement, but this figure was only to be regarded as theoretical and subject to a proportionate reduction. It is known that at that time Germany was negotiating in London to obtain a clarification of all her foreign debts and was trying to obtain an overall reduction. The reparations to Israel should therefore, in her view, have been reduced in the same proportion as the German commercial debts—a proportion still unknown when the proposal was made. Moreover, arguing from their country's economic and financial situation, the German delegation made no recommendation as to the date and the method of payment of the debt. In fact, this proposal in no way represented a firm offer from the German Government, but was merely a suggestion from the delegation—a 'ballon d'essai'.

The Israel delegation protested against the principle of linking reparations with the problem of commercial debts, and on 6 May

the Israel Government decided to break off negotiations and to resume them only 'when Germany should make a firm and definite offer which would satisfy Jewish claims and would include details as to the method of payment'. Mr Sharett added that Israel 'did not intend to queue up in London'.

It was at this point that the second phase opened, the phase of numerous semi-official contacts, in Bonn and in Paris, between Dr Adenauer and Professor Böhm on the one side and Mr Goldmann and Mr Sharett on the other. This phase, of which nothing has been publicly revealed, constituted the real negotiations. It was marked by the spectacular resignation of Professor Böhm and Dr Küster, the leader and deputy-leader of the German delegation, in protest against the German Government's alleged evasion of their obligations. Professor Böhm went so far as to say that 'the Adenauer Government, which solemnly undertook to make reparation in so far as was possible, did not seriously dream of keeping its word'. It seems clear that the Chancellor, confronted by such a statement from his own negotiator, and by Israel's refusal to consider the many alternative offers put forward during the rupture, could not but realize that the moral prestige which he hoped to acquire from the treaty could be obtained only by a serious undertaking which excluded any possibility of evasion. At the beginning of June, therefore, he made a concrete offer, this time independent of the problem of commercial debts. Its main points were:

1. The Federal Republic would pay 3,000 million Marks ($715 million) in goods, over twelve years. Part of the sum could be paid in currency, if Germany succeeded in obtaining an American loan for this purpose.

2. The two first payments should be of 400 million DM in 1953 and 1954, with ten subsequent annual payments of 250 million DM.

3. Israel should not have the right to re-export the goods.

4. The agreement should be subject to revision should 'unforeseen events' arise (i.e. war risk).

This offer was considered acceptable by Israel, and negotiations were resumed in The Hague on 24 June.

The offer in fact included the whole substance of the future treaty, and the third phase of the negotiations amounted merely to the working-out of technical details. The work was entrusted to two sub-committees, legal and economic, one of which was to

prepare the draft of the treaty, while the other was to draw list of goods, their quantities, and the dates for their delive

It was during this third phase that negotiations with the ence on Jewish Material Claims also reached a settlemen many accepted practically all the undertakings on the leg to be enacted for restitution and indemnification. But th pensation to be made to the Conference in respect of property was reduced from $500 to $107 million. These tions came to an end on 27 August. On 10 September Dr A and Mr Sharett signed the treaty in Luxembourg. Once significantly enough, for fear of terrorists the date and signature were kept secret and the press was only informe wards.

There still remained ratification. This took place March 1953. The interval witnessed a prolonged period lomatic and para-diplomatic activity on the part of the (which will be described later) with the object of prevent application of the treaty and which in fact succeeded in d its ratification. But in the Bundestag debate on ratification coalition parties, and the Socialist Opposition too, v favour. Only the Communists and the neo-Nazi parties opp Bill.

Israel, for her part, ratified the treaty on 22 March 1953, 27 March the instruments of ratification were exchanged York at the United Nation Secretariat.

CLAIMS AGAINST EASTERN GERMANY

The situation was quite different as to claims against Germany. No reply has ever been received, either fro country or from the U.S.S.R., to the Israel Note of 12 Mar formulating a claim of $500 million against Eastern Germa

On 22 September 1952 Herr Ernest Goldbaum, Min Agriculture in Eastern Germany and a member of a parlian delegation visiting Bonn, stated in the course of a press con that Eastern Germany recognized the enormity of the crim mitted against the Jews, and that his Government was in opposed, in principle, to discussing compensation with Is nothing had hitherto been done in this direction, it was Israel had not yet formulated any definite demand.

Quite apart from the inaccuracy of the reason advanced delay, this statement never had any concrete sequel. More

the time of the Bundestag debate on reparations, which coincided with the electoral campaign in Western Germany, Herr Grotewohl and Herr Ulrich made statements in Eastern Germany strongly condemning the principle of reparations. These statements are no doubt in part to be attributed to the desire of the East German authorities to interfere in the electoral campaign in the West. But the fact remains that Eastern Germany has never shown any willingness to make reparation, and the restitution of property, not only in cases where heirs could not be traced but also in perfectly straightforward instances, has never been undertaken there. It was for this reason that during the Berlin Four-Power Conference in January 1954 Israel again submitted a Note reiterating her demand for reparations from Eastern Germany.

REPARATIONS AND PUBLIC OPINION

What reactions has the reparations affair aroused among the public, whether Israel and Jewish or German? Obviously, on both sides, there have been opponents and partisans. It is interesting to observe how public opinion developed before and during the negotiations, and after the signature of the treaty.

On the whole it may be said that German public opinion displayed indifference to the whole affair. A very small minority (among whom must be mentioned such men as Carlo Schmidt, Erich Lüth, the promoter of the 'Peace with Israel' movement, Professor Böhm, and Herr Maas) fought in favour of reparations. A small minority, drawn from the various branches of neo-Nazism, fought against them. But the mass of the people took no interest in the matter.

The truth is that in the vast mass of the German people the feeling of shame, of guilt, or of remorse on this subject simply does not exist. 'The degree of shame', as Carlo Schmidt, the Socialist leader, said to the present writer, 'is proportionate to the cultural level in Germany: only an élite is conscious of a responsibility.' No doubt this élite (and Parliament is an élite *de facto*) plays an effective role in the country: it wishes to consecrate a new dignity and a new place for Germany in the world, and to this end the debt to the Jews must be paid. To that extent, therefore, it carries the masses with it. But the masses are completely ignorant about the whole question; they blindly give Parliament their confidence—or withdraw it—but they certainly do not share the opinion of Carlo Schmidt when he says: 'The German people has a series of debts

to pay to the world, and among those debts there is a hier
priority. Our debt to the Jews is the most glaring of all.'
view of Professor Böhm's: 'The payment of reparations o
to represent a closely bargained price paid for blood shed
act of contrition, an additional effort, a German sacrifice

After the treaty was signed and the Israel Purchasing
had been installed in Cologne, the situation changed sligh
reparations question had obviously made something of
political, banking, industrial, and business circles and an
many departments which had to do with the Israel rep
tives. But for many Germans the Israel Mission still has n
ing. To some it even suggests the idea of an evangelical
and the Israel offices in Cologne daily receive letters fro
priests and laymen which bear witness to this confusion.

As for the minority actively agitating against reparat
political composition suffices to define it—Communists,
pose on principle, and neo-Nazis. Their anti-Semitic arg
employing a mixture of vituperation, threats, and lies,
worthy of analysis, and, moreover, find little echo amon
opinion in general.

Israel and Jewish opinion, on the other hand, is pass
concerned about the matter. For if the Germans have f
their crime, the Jews of 1954 still bear the ineradicable mar
tragedy of 1933–45, and the State of Israel is an immediat
an intrinsic, outcome of Nazism.

No Jew remained indifferent to the question. And wh
of them made up their minds to accept, if with bitter rel
the need for contact between Israel and Germany, every d
disapproval, despair, and revolt going even as far as atte
terrorism made itself felt.

In general it can be said that while the reactions o
Jewry were largely dictated by sentiment, those withi
showed a greater spirit of realism. But the reaction was
mentally the same, and amounted, in varying degrees, to d
having to deal with Germany. This problem was clearly s
Mr Abba Eban, Israel delegate to the United Nations: 'T
cussions have shown that the Western Powers are not pre
represent Israel concerning her claims against Germany.
quently Israel must decide whether the plundered prope
remain in the hands of the murderers, or whether she m
bark on direct negotiations with the German authorities.'

On the other hand, the principle of material reparation was repugnant to many. It seemed to recall the Teutonic 'Wehrgeld', the blood-price whereby in olden days the most abominable crimes could be atoned for. Believers in this argument refused to be reconciled even after the treaty was concluded, and embarked on the most startling calculations: 6 million Jews killed, they said, and the offer is 3,000 million Marks, or 500 Marks for each Jew murdered.

To this quite understandable attitude the advocates of reparations, and the Israel Government itself, replied with solid arguments. They pointed to Israel's need for outside aid, and to the advisability of accepting what was offered at a time when American aid was becoming increasingly dependent on political considerations, and when the philanthropic support of world Jewry showed signs of tapering off. Was it not legitimate, they asked, to attempt to utilize for the benefit of the survivors, now established in great numbers in Israel, what could be saved from the property of those who had vanished? In this way German reparations would in no wise have the character of 'Wehrgeld', but would rather be, as the official documents said, a contribution to the establishment of 500,000 Displaced Persons in Israel. As to the moral objection to meeting the assassin of yesterday at the conference table, it was emphasized that it would be even more immoral to allow the culprits or their heirs to enjoy the fruits of his crime. The injured party could perfectly well discuss restitution and reparation with the offender, since that did not imply entering into any relationship of a social, political, or cultural character with Germany. On this point the argument proved to be specious, not to say demagogic, for in fact relations in increasingly wide spheres are gradually being established between the two countries.

Be that as it may, though Jewish opinion may have come to accept the idea of reparations with some sort of resignation, there were no outbursts of joy. Signs of disapproval have practically died out, but nowhere has there been any expression of marked approval. Since 1951 there have been numerous speeches and articles against the acceptance of reparations, not confined to a single party or stratum of opinion, but from men belonging to all walks of Jewish life. Certainly the most active campaign was conducted by the Israel Communist Party and the Herouth, the descendant of the former terrorist group Irgun Zwai Leumi, but it was a campaign directed first and foremost against the Govern-

ment, from motives of opposition and for electoral ends. (
tion was naturally not confined to any particular party
Israel newspapers appeared with a black border when th
was signed. Demonstrations took place outside the Parlia
Jerusalem while the debate on reparations was going on. A
bomb attack was also attempted on the first cargo of Germa
to Israel. But in time these extreme reactions died down, a
typical that the Israel writer Dvorjetsky, who announced
tention to commit suicide on Mount Sion on the day Israel
the treaty, did not carry out his threat. The position of
compounded of an incomprehensible mixture of hatreds anc
is in fact unique and exceptional, as indeed was the Germa
against the Jewish people.

Moreover, the desire of the Israel leaders to behave as
as the 'subjects' of history and not as passive 'objects'
along in its stream, has facilitated matters. Newcomers as t
to public life after a long-drawn out clandestine perio
acterized by ardent claims but by little real power, they hav
it a point of honour to suppress their feelings at this
political and moral juncture, and to conduct themselves li
statesmen, if necessary doing violence to their own feelings.

As a result, tremendous progress has been achieved b
Israel and Germany. Forms of co-operation which two ye
seemed unthinkable have now become an accomplishe
German sailors will soon be allowed to land at Haifa and I
supplying citrus fruits to Bonn. Over and above the execu
the letter of the treaty a whole new flow of exchanges is deve

Doubtless nobody in Israel would claim to be directly fur
this development. But the Israel philosopher Buber is no
criticized for having accepted German academic distinctio
an Israel zoo has sent a gift of rare animals to a Germ
Would Mr Sharett, who in Luxembourg refused to shake
with Dr Adenauer, repeat the same gesture today?

ARAB INTERVENTION

This analysis of the reactions aroused by the repa
question would not be complete without some mention
campaign organized in Germany by the Arab League with t
of preventing the treaty coming into force.

The Arab agitation was carried on both through prop
missions sent to Western Germany and through the o

diplomatic channels. It was aimed both at the Bonn Government and at business circles, which the Arab League threatened with a boycott of German goods should Germany help Israel to prepare 'a new war of aggression' by strengthening her economy, thus abandoning German neutrality in favour of one of the belligerents.

After the early stages these threats had no effect on German industrial circles. Lacking experience of the League's political demagogy, they took some time to realize that every State that maintained relations with Israel had been subjected to similar threats, and always without any practical results. On the other hand, the Bonn Government was subject to certain restraints on the part of the U.S.A. and Great Britain, who were inclined to pay more attention to the Arab League's attitude and, to some extent at least, to sustain their claims, if reduced to reasonable proportions. Hence the delay of over six months in the ratification of the treaty.

But the German Government, once it was in a position to judge the merits and possible effects of the Arab claims, adopted a firm attitude. It made clear in several official declarations that reparations could not constitute a violation of neutrality, since Germany was not delivering arms to Israel, nor should they inspire alarm in the League, since the reparation goods could not be re-exported. Germany intended that these reparations should be regarded as a moral and humanitarian measure in favour of the surviving victims of Nazism. As for the Arab States, she was quite prepared to strengthen her economic relations with them.

In point of fact, no German firm has till now refused to deliver goods to Israel, nor has any Arab State put into effect the threat of boycott: the Arab States are far too much interested in obtaining technicians and supplies of goods from Germany for themselves.

THE TREATY

The text of the treaty, with annexes, runs to some sixty pages. Its main provisions can be summarized as follows:[1]

Preamble

Whereas unspeakable crimes were perpetuated against the Jewish people under National Socialism, And whereas by a declaration in the Bundestag on 27 September 1951 the Government of the Federal Republic of Germany made

[1] The full text of the treaty is published in Israel: Ministry for Foreign Affairs, *Documents* . . . (*op. cit.*).

known their intention, within the limits of their capacity, to mak material damage caused by these acts. . .

Article 1

The Federal Republic shall pay to Israel the sum of 3,000 mi plus a further 450 million DM to be paid to Israel for the benefit of tl ence on Jewish Material Claims against Germany.

Article 2

These sums shall be used for the purchase of commodities and order to expand opportunities for the resettlement and rehabilitation refugees in Israel.

Article 3

The reparations shall be paid in twelve instalments three of 2 DM, up to 31 March 1954, and nine of 310 million DM, payable ea 1 April as from 1 April 1954 Should the Government of the Federal R unable to comply with these undertakings, they shall be allowed to annual instalments, which must however in no circumstances fall million DM.

Article 4

The Federal Republic will endeavour to liquidate its debt withir time than that provided for under Article 3, and to this end will try tc external loan in convertible currency.

Article 5

The commodities delivered under the heading of reparations shall to the same laws as normal exports from the Federal Republic The no discrimination between these deliveries and normal German expo

The commodities supplied to Israel shall not be re-exported to country, unless otherwise agreed by the Israel-German Mixed Com Israel contravenes this prohibition, the value of the commodities r shall be deducted from the next reparations instalment payable.

Article 6

The commodities and services to be purchased under the schedı first two years shall be comprised in five Groups.

Group I. Ferrous and non-ferrous metals
,, II. Products of the steel manufacturing industry
,, III. Products of the chemical and other industries
,, IV. Agricultural products
,, V. Services (transport, insurance, Purchasing Mission'
in Cologne).

Increases in the annual instalments after the first two years shall tioned as follows · 13 per cent of the increase to Group I, 30 per cent to 45 per cent to Groups III and IV, and 12 per cent to Group V.

Article 7

The purchase of commodities is to be carried out exclusively by Purchasing Mission.

Article 8

Deals with the transport and insurance of the goods.

Article 10

If the economic or financial capacity of the Federal Republic seriously affected, fresh negotiations should be undertaken to settle th of payments.

Article 12

The Israel Purchasing Mission is authorized to engage, in Western Germany and in West Berlin, in all activities relating to the execution of the treaty. The status of the Mission (amounting virtually to diplomatic status) is defined in detail.

Article 13

The two Parties shall set up a Mixed Commission of twenty members to deal with any questions and difficulties arising out of the application of the treaty.

Article 14

All disputes not settled by the Mixed Commission shall be submitted to an Arbitral Commission consisting of two arbitrators appointed respectively by each of the Parties and presided over by an umpire appointed by the President of the International Court of Justice The Commission's awards shall be final.

Parallel with the treaty a protocol was concluded in The Hague under which Germany promised the Conference on Jewish Material Claims to bring into effect legislation for the benefit of the victims of Nazism. This measure, officially known as the 'Federal supplementary law on indemnification', was approved by the Bundestag in 1953. It provides for specific compensation to all who were penalised under the Nazi regime, whether as German State officials, employees of Jewish institutions, war victims, or victims of criminal Nazi medical experiments, or who were excluded from the benefits of social security.

THE ISRAEL PURCHASING MISSION

The technical application of the treaty is dealt with under Article 7 of the treaty, which provides for an Israel Purchasing Mission. The Mission came into official existence in March 1953, when the treaty was ratified, and entered upon its duties on 16 June 1953. It now has diplomatic status: its cars have the 'C.D.' registration, its employees pay no taxes, and its offices enjoy extraterritoriality. It even exercises consular functions, formerly carried out at the Israel Consulate in Munich which was closed on 30 June 1952.

After the ratification of the treaty by the Israel Parliament two organizations for its application were created on the Israeli side: the Chiloumin Corporation and the Purchasing Mission. The Chiloumin Corporation (Chiloumin is the Hebrew word for reparations) is the central organization, emanating directly from the Government, which determines Israel's needs in the various branches of her economy, receives requests from Israel industrialists, passes on its instructions to the Purchasing Mission in Cologne, and decides on the proposals made to it.

The Purchasing Mission is a purely executive organ. It orders from Chiloumin, gets into touch with German fi transmits their offers to Israel, and applies the decisions re Jerusalem. It includes the following departments: four pu departments, covering (i) iron and steel, metallurgica building materials, and steel products; (ii) textiles, leathe and paper; (iii) food and agricultural products and agr machinery; (iv) chemical and pharmaceutical products; a department which compares the prices offered for Germa with world prices; a transport department responsible transport of goods from the German port (or from Ant Rotterdam) to the Israeli port; a legal department which purchase contracts before they are concluded—a delic when such major items as ships, floating docks, and ir electrical installations are involved; and an information dep

In addition Dr Moses, State Controller of Israel, has s office with the Mission; this office is shortly to be transforn a control department for all the Israel diplomatic posts ar the services of the Jewish Agency in Europe.

The Purchasing Mission negotiates direct with the authorities and industrialists. Contacts between these tw have hitherto been extremely correct. The German orga concerned with the application of the treaty is the *Bundes den Warenverkehr* (Federal Office for Trade Transact Frankfurt, which has established a special office in Cologn

There is also a joint Israel-German committee, the Mix mittee set up under Article 13 of the treaty, which has i quarters in Bonn.

RESULTS AND FUTURE PROSPECTS

The first German shipments for Israel, 650 tons of i chemical products, left Bremen on 21 July 1953 and ar Haifa on 14 August. Since then Germany has honoured nature as far as the two first instalments provided for un treaty are concerned, and even in the least optimistic cir expected that she will continue to do so. In that case, qu from the important moral consequences of the treaty b precedent in international law and as a factor in repairin German relations, it will also have profound economic both for Israel and Germany themselves and for the Jew vivors of Nazi persecution.

For Israel, the free contribution she will receive in the form of capital goods, to a value of $750 million, will represent for ten years to come about 10 per cent of her import budget and at least 30 per cent of her budget in currency. As the reparations are being paid not in consumer goods but in capital goods, these percentages in fact give only an inadequate idea of the economic benefits Israel will enjoy. Germany will thus occupy the second place among Israel's suppliers, immediately after the United States, and might even take first place if political reasons were to lead to a loosening of the ties between Israel and the U.S.A., or if purely technical reasons of commodity supply, or the tendency towards standardization, were to cause Israel to turn to German markets for her normal purchases financed by sources other than reparations. In all these ways, for a new country and one which during a period of mass immigration must inevitably suffer from a chronic deficit in its balance of payments, such a contribution of free capital amounts to a vital transfusion of blood which will be of invaluable assistance towards her development.

For Germany, apart from the immediate importance of orders for Israel as a means of maintaining full employment in industry (for example, the treaty provision that priority should be given to industries situated in West Berlin has undoubtedly contributed towards reducing unemployment there), a result of the treaty will be that by the end of the twelve-year reparation period Germany will have obtained a firm foothold in Israel, which is the most technically advanced of all the Eastern Mediterranean countries. Germany will thus be enabled to recover the impetus of her traditional economic penetration of the Near East, where during recent decades she had been obstructed and ousted by France and Britain; and this result will come about not only through the welcome accorded by the Arab States to German goods and technicians, but also through the intermediary of the Jewish State which at first seemed to be the predestined enemy of a renascent Germany. It is indeed a paradoxical situation, where Israel and the Arab States, both factors in this economic penetration, are themselves enemies; and where, once moral and sentimental considerations have become things of the past, Germany will be found to have won on both counts in her Near Eastern economic aims.

The effects of the treaty on the situation of the Jewish victims of Nazism can be more directly assessed. The 450 million DM to be paid to the Conference on Jewish Material Claims will go to

support all the organizations throughout the world which proof that they are assisting Jewish victims. This assista comprise alike material and educational or social aid.

Such is the situation in mid-1954. It is still too new and any precise conclusions to be drawn. But among all the reve alliances and changes of internal structure which have ch ized the post-war period, the creation of the State of Isr one of its corollaries, the voluntary payment of compensa war crimes, mark a recognition of new principles which are taking their place in history.

PRINTED IN GREAT BRITAIN AT THE BROADWATER PRESS, WELWYN GARDEN CITY, HERT

THE WORLD TODAY

Volume 10 No. 7 July 1954

*

Notes of the Month

The Outlook for M. Mendès-France

EVER since last autumn there has been a threat of a fresh political crisis in France. M. Laniel's Government, formed on 26 June 1953 after over a month of argument during which four Prime Ministers-designate were defeated by the Assembly, was never more than a *pis-aller*. M. Laniel survived, however, owing to the general agreement that France ought to be represented at the Bermuda, Berlin, and Geneva Conferences by a Minister who had the authority of a Government behind him and was not, as has so often happened in post-war international conferences, suddenly faced with the prospect of loss of office in the middle of delicate international negotiations.

Yet once again the French Government has fallen, and this time at a crucial point of negotiations in whose outcome the ordinary Frenchman is vitally interested. The speeches in the Assembly debate which ended with the defeat of M. Laniel's Government by 306 votes to 293 did not provide any satisfactory answer to the question: 'Why was this crisis necessary at this juncture'? It clearly seemed to many Deputies—including some who voted against M. Laniel—that his Government could be succeeded only by a coalition having virtually the same policy and represented by many of the same men. In the present Assembly, if Socialists continue to remain in opposition along with the Communists, there is only one viable coalition, namely, that of virtually all the rest.

It seems likely that three factors combined to produce a feeling among Deputies of unbearable and therefore overriding exasperation. The first was the growing disquiet regarding the course of events in Indo-China. The extent of French military weakness revealed by the fall of Dien Bien Phu came as a shock to many Frenchmen who had assumed that France was in a stronger position from which to negotiate a cease-fire. They therefore vented on the Government and, in particular, on the Ministry of

Defence, their anger at what they consider to have been bot military mismanagement and political dishonesty in hiding th true facts of the situation from Parliament.

The second element in the situation was the anxiety regardin E.D.C. This had no direct bearing on the vote of confidence, bu was clearly in the forefront of the minds of many Frenchmen. Th opponents of E.D.C., and particularly the opponents of Germa rearmament, were prepared to go to almost any lengths to preven the ratification of the treaties. And once it looked as if the hope of agreement at Geneva were due to be disappointed—and whe the Assembly debate took place it did look as if the Conferenc were ending—they felt that they were no longer obliged to save th Government's face.

The third element was intangible, emotional, and made up o heterogeneous and sometimes inconsequential attitudes. M Laniel's Government was unpopular on grounds of internal a well as foreign policy and there was serious disquiet regarding th situation in North Africa which many Frenchmen, even politicall on the right, feel has been dangerously mishandled. And so th desire of rival parties to wash their hands of responsibility fo present difficulties and fix the blame elsewhere enabled larg sections of the Radical and Gaullist parties to vote against th Government in which they were represented.

The Assembly has never found it difficult to discover a majorit *against* policies and Governments. The search for a positiv policy has so far proved unsuccessful. The first feeling, both i France and abroad, is, therefore, one of relief that the first Prim Minister-designate, M. Mendès-France, succeeded immediately i gaining the support of the Assembly, 419 votes being cast in hi favour and only 47 against. That relief is likely to be followed b some doubts.

What are the 419 votes *for*? The immediate answer is: 'A month,' and in the present circumstances that could be a real gain For to judge from the debate, what Deputies were voting *for* wa the chance that M. Mendès-France might have an ace up his sleeve He is patently sincere and determined to be judged by deeds and by results to be obtained within the measurable—and very short— period of a month. He is sick of hesitation; he believes that Franc should take a decision for or against E.D.C.; for or against a positive economic programme; for or against progress in Nort Africa. Once the second thoughts following the debate come to

Deputies, as they usually do, he is likely to find himself up against the same intractable facts as his predecessors. And it is permissible to wonder how far it is to the interest of the Chinese and Indo-Chinese Communists to allow him a triumph within the very short time that he has allowed himself to reach an acceptable settlement (that is, one that is not in reality a French capitulation) at Geneva. The Communists do not make concessions either readily or speedily. It is difficult to see what inducement M. Mendès-France can offer the Chinese and Indo-Chinese Communists to change their habits. It is also not irrelevant to point out that even if M. Mendès-France is given *carte-blanche* for a month, at the end of that time his Government, however eminent and successful the 'personalities' composing it, will, like any other Government, be dependent for its survival on the votes of the rank and file members of parties more or less subject to party discipline.

All the same, if the result of new blood at the head of affairs is to inject new confidence and resolution into an Assembly that has been for so long impotent, that alone might—and it is only a *might*—transform the atmosphere sufficiently to make it possible to envisage compromises or new approaches that have hitherto been ruled out. If that happened, M. Mendès-France might be able to do, after a month, what he could not do at his investiture, namely, present the Deputies with a positive and concrete policy. That is no doubt his intention, and it is no doubt the hope at the back of the minds of many of the 419 Deputies who voted for him.

For and Against the Van Naters Plan for the Saar

It is peculiarly unfortunate that a settlement of the Saar question through the adoption of the Van Naters plan has been jeopardized by anti-E.D.C. feeling in France. It is difficult to imagine that so favourable an opportunity for a settlement will recur in the near future. The Quai d'Orsay has expressed anxiety over the economic consequences for France of the gradual opening of the Saar-German Customs frontier proposed by M. Van Naters. But he himself has pointed out that the Coal and Steel Community has already more than half abolished that frontier, since Saar-German trade is so largely a matter of the products of heavy industry.

Meanwhile the economic value of the Saar to France seriously threatens to diminish if a settlement is not achieved. For although Saar heavy industry has flourished since the Korean war boom, the

uncertainty of its future has prevented essential investment in industry there. Large sums, on the other hand, have gone into the coal and iron mines of Lorraine, so that since 1953 Lorraine coal and steel have competed successfully on the South German market with coal and steel from the Saar. The Schuman Community common market nevertheless made possible higher exports of Saar steel to Western Germany in 1953 than in 1952. At the same time, owing to the increase in the cost of French ore (kept artificially cheap until 1953, thanks to subsidies), the common market has caused the Saar to import ore from Luxembourg rather than Lorraine; thus the partnership of Saar coal with ore from Lorraine, upon which French claims in the Saar are partially based, has been at least temporarily shaken.

The tradition of conflicting Franco-German economic interests is indeed becoming obsolete for various reasons, among them the elaborate Franco-German concentration of heavy industry which has taken place in the last few years. Typical of this is the fact that the Dillingen steel works in the Saar have been absorbed by big French interests in Lorraine with which, however, a number of German and Saarland industrialists are linked. The same kind of thing seems likely to happen to the Völklingen and Neunkirchen foundries in the Saar, which were confiscated by France at the end of the war and are still under French administration. Recently some of the people concerned in transactions between the big Châtillon steel group in France (which is associated with the American A.R.M.C.O. Steel Corporation) and certain well-known West German mining interests have even pressed for a Saar compromise. For if they could compete fairly freely in the West German as well as the French market they would regard it as profitable to found new chemical industries based on Saar coal. In the present state of affairs an artificial light industry has grown up in the Saar thanks to the protection of French tariff barriers. But what the Saar needs, if it is not to face economic decline, is investment in the modernization of the mines—the Saar is in any case a difficult mining area—and investment in chemical industries based upon them.

These facts are clear enough to a number of French and German industrialists, who therefore favour the practical solution proposed by the Dutch Socialist, Van Naters. They are also clear to M. Monnet, whose organization would in fact be strengthened by the adoption of the Van Naters plan. It may also be presumed that

American influence backs Dr Adenauer's favourable attitude: indeed at one point it was hinted that the first 'European' Commissioner to take charge of the foreign interests of the Saar might be an American. It is easy to understand that many German Deputies, and even some of Dr Adenauer's colleagues, object to the Saar as the isolated object of the first project of Europeanization. It is comprehensible that they dislike the plan for a Saar plebiscite on this issue after a prolonged period of forced inactivity for the pro-German parties. Finally, they know that Saar opinion is likely to become increasingly pro-German if things are allowed to drift. What is difficult to explain is the seeming blindness of the Quai d'Orsay to this probability, a blindness to be explained perhaps by the too rigid linking of a Saar settlement with acceptance of the E.D.C. If the Van Naters plan is adopted, it stipulates that both Britain and the United States should be asked to guarantee it, and if they did so Western Germany would find it difficult to hold back. But if the Van Naters project proves abortive the present Saar Government, too simply described as pro-French, is quite likely to make difficulties for France. Herr Hoffman has learnt to gauge Saar opinion skilfully; he would not be incapable of heading it towards a form of Europeanization which was less favourable to France.

The Social Revolution in Guatemala

SOME twenty-five years ago a press campaign attempted to prove that the social revolution in Mexico was Communist-inspired and organized by Russia for the furtherance of Bolshevik control of the world. In the United States a Senate Committee was appointed which after much investigation recommended intervention in Mexico. Now, in recent months, Mexico's southern neighbour, Guatemala, through her efforts to liberate her own people from conditions of virtual economic slavery has been the subject of the same kind of publicity. Russia is accused of attempting to infiltrate into the U.S.A. through its back door, Guatemala, and the State Department, it seems, has discovered a Soviet bridgehead on its own continent. At the tenth Pan-American Conference in Caracas in March 1954, Mr Dulles's main objective was to secure the adoption of an anti-Communist resolution: this would mean giving the United States a permanent juridical weapon which would enable it to intervene legally in Guatemala by a decision of the Organization of American States (O.E.A.). On 15 June Mr

Dulles proposed that the O.E.A. should take action concerning the shipment of arms to Guatemala from behind the Iron Curtain. There is thus a danger that Guatemala may be increasingly represented as a country completely under Russian influence; whereas in fact the Government appears to be making a genuine effort—with as many mistakes as most democracies are likely to make—to raise the standard of living of its traditionally exploited people.

Guatemala is three times the size of Switzerland and has a population of under 4 million. Descendants of the old Mayan civilization still make up the majority of the population: 60 per cent of the Guatemalans are of pure Indian blood, the rest being principally of mixed Spanish and Indian descent known as Ladinos. While the official language is Spanish, it is not universally understood, and many other dialects are spoken in the more isolated regions.

Between 1840 and 1944 Guatemala was ruled by four dictatorships with brief interludes of anarchy. The last dictator, Jorge Ubico, was overthrown in March 1944, and after a triumvirate had been in power for six months a former school-teacher named Juan José Arevalo was elected to the Presidency by an overwhelming majority. He embarked on an apparently impossible task—to rule democratically in a country where 95 per cent of the arable land was held by 5 per cent of the people and one foreign corporation, the United Fruit Company, and where popular elections had been unknown, while the cultural isolation of the Indians, still on the defensive—a relic of their hard experience in past centuries—constituted one of the country's basic national problems.

The 1944 Revolution marked the beginning of a new epoch in the history of Guatemala. A new Constitution came into effect in March 1945; with its social provisions, and with the creation of a Ministry of Economy and Labour, the Government launched an active programme to improve the lot of the Guatemalan worker. In 1946 the Organic Law of the Guatemalan Institute of Social Security was passed; and in the same year the first trade unions were established. A Labour Code was adopted in 1947, providing for collective bargaining, the settlement of labour disputes in labour courts, and compulsory arbitration of disputes affecting the public services. Economic problems were given special attention with the reorganization of the Central Bank and the creation of the Institute for the Development of Production. Education was

nearest to President Arevalo's heart: a Department of Physical Education was created, a campaign against illiteracy launched, and an Indian Institute conducted an inquiry among thirty-seven Indian groups to study their ways of life. During that period the price of coffee, the most important export product, had gradually risen, thus lulling the suspicions of the rich landowners and assuring to the country comfortable reserves in dollars. In 1951 Colonel Jacobo Arbenz was democratically elected President. With the aim of transforming Guatemala from a backward country with a semi-feudal economy into a modern capitalist State an agrarian reform was promulgated in June 1952, taking into account the experience of Mexico and guided mainly by the requirements of landless farmers and those with small and medium-sized holdings. The first American warning against Communist danger took place at the same time as the first expropriation of land belonging to the United Fruit Company—a coincidence that Latin Americans did not fail to note.

For a small Central American country, Guatemala has since then been given a good deal of publicity. Why is this? The main reason is that there are known to be Communists in Guatemala: their numbers are variously estimated at between 500 and 3,000. They secured around 15,000 votes at the last election in the department of Guatemala, but the Guatemala Labour Party[1] (which is their party's official name, as the Communist Party is prohibited by Article 32 of the Constitution) has only four deputies in the Congress, whereas the two other Government parties[2] have forty-one between them. But its leaders are influential and active, and often pay visits to Moscow; it seems probable that they are at present trying to harass the U.S.A. in Central America, perhaps with a view to provoking intervention and thus destroying their prestige in Latin America.

Is Guatamala Communist? The answer is no. Full liberty exists, and the Opposition newspapers sell 50,000 copies daily. The social provisions of the Constitution are, after all, not as radical as those of the New Deal in the U.S.A. or the Labour Government in Britain. Compared with the redistribution of land, the expropriation of oil companies, the requirements that foreign corporations shall become national, or any other social reforms carried out in

[1] *Partido Guatemalteco del Trabajo* (P.G.T.).

[2] *Partido Renovacion Nacional* (P.R.N.) and *Partido Accion Revoluccionaria* (*P.A.R.*).

Mexico or in Latin America, the Guatemalan Government is engaged on a relatively mild species of reform. Under the agrarian reform decree properties of under 225 acres, whether cultivated or not, are not touched. Nevertheless it is quite clear that big Guatemalan landholders, American big business, and Conservative groups of various kinds are determined to get rid of the Revolutionary Government. One cannot help thinking that if the North Americans had commended Guatemala for getting rid of Ubico and started the country on the road to free elections, free schools, free labour, and free Indians, the U.S.A. would be enjoying more influence in Guatemala, whose Revolution could then have made a more rapid advance towards democracy.

The danger is that Communism may eventually secure all the credit for the benefits brought to the peasants by the Revolution. Recently Communists have increased their influence in the trade unions, especially at the expense of other parties, because of the latest American attitude which has been one of increasing disapproval of President Arbenz and his supporters, thus providing a pretext for a further swing towards the Left. Like the Communists, the Government is determined to secure agrarian reform, economic independence, and popular education. Typical is the attitude of a non-Communist Guatemalan official who declared to an American journalist: 'Communism is your problem, not ours.' The opposition to the Communists comes mainly from the 'coffee barons', who have for long exploited the land and their fellow-citizens; the anti-Communists have so far failed to achieve political unity, and the obvious reason for their failure is the lack of a positive and constructive programme.

The problems of Guatemala are similar to those of many Latin American countries, which explains why its duel with the United States is being so closely watched. The harangue of the Foreign Minister, Sr Toriello, at Caracas was greeted with enthusiastic applause from the other Latin Americans, who are always jubilant when one of their number stands up courageously to the 'Colossus of the North'. But to attain her objectives, Guatemala has chosen a very difficult path. Will the Revolution of October 1944 cling to its roots, or will it shift, under external pressure, to a more prudent policy which might mean its death?

Serious fighting broke out in Guatemala on 18 June, but conflicting reports of the origin of this made it impossible to determine its full significance at the time of going to press.

Cross-Currents in Western German Opinion

N the Election of 6 September 1953 the German people gave their upport by a large majority to the policy of Chancellor Adenauer; nd they were voting for the man who in the four years from 1949 ad shown a capacity both to get things done and to maintain a onsistent policy. That policy has not been changed since the lection. Speaking to West Berliners after the failure of the Berlin onference, the Chancellor said: 'We remain at the side of the Vest, for the policy of European integration, and for the policy hich by every means and every path, and even if necessary inırectly, leads to German reunification in peace and security.'[1] n a foreign affairs debate in the Bundestag on 29 April he again ressed that Germany's place was with the peoples of the free orld; on that there was no discussion nor would there be any disıssion. It was not Germany's fault that E.D.C. had not yet been tified by all the signatory States. In his view European integraon was an urgent necessity to withstand pressure from the East ıd it could not be postponed without danger. Unfortunately ational egoism was struggling against the movement towards uropean integration, though progress had been made in 1954 wards European security. But, the Chancellor pointed out, ıvourable constellations do not last indefinitely in history and turn only rarely'.

A resolution passed by the Chancellor's own party, the C.D.U., its annual conference in Cologne on 29 May repeated the Chanllor's warning: 'The nations of Europe must at long last overme their national egoism, establish the European Defence Comunity, and resolutely pursue Europe's political integration.

[1] On 14 June a 'national movement for an indivisible Germany' was founded Bad Neuenahr, near Bonn. The new association is all-party, rather than nonrty, and also includes many eminent people without political affiliation. Its ınder is Herr Kaiser, Minister for All-German Affairs in the Adenauer vernment, who has always been concerned first and foremost with the oblem of reunification. The purpose of the movement is to work against the owing sense of spiritual estrangement and even of hopelessness in the Soviet ne, and it will try to bring the people—especially the young people—of East d West Germany together, and to keep alive the ties with German lands yond the Oder-Neisse It was, of course, no accident that this first meeting ould have been held immediately before the first anniversary of 17 June. cording to Herr Kaiser, the association will at first work through discussion ups and will establish contact with as many East Germans as possible; later will organize demonstrations and make political demands. (*The Times* and e *Manchester Guardian*, 15 June 1954.)

Any delay only reduces the chances of easing present tensi

Although the majority of West Germans still suppor Chancellor's view that European integration and a German tingent in E.D.C. afford the best solution for Europe and the s safeguard against pressure from the East, delay in ratification Treaty and French anxieties are producing a certain irritation. references to 'national egoism' just quoted are new, for exa Herr Friedländer, the German publicist who is very closel sociated with and a wholehearted supporter of Dr Adena policy, has written: 'The present situation has become unten untenable situations cannot be prolonged indefinitely.' In the article[2] he raises two questions which are now frequently cussed in Germany: If France indefinitely postpones or r E.D.C., can she thereby prevent the restoration of German s eignty? Secondly, if there is to be no E.D.C., will there not ha be a German national army? Here again, French assent is neces as also to German participation in N.A.T.O. If the Ge contribution to Western defence is to be through what Friedländer calls a 'coalition army', there must be no discrir tion against Germany.

Dr Adenauer himself said in his Bundestag speech of 29 A 'If we have no chance of gaining world support for the realiz of our well-founded legal standpoint, there remains to us, want to be realistic in our policy, nothing else but to consi new solution.' Herr von Brentano, leader of the Parliame group of the C.D.U., added a week or two later that integr had been till now the best but was certainly not the only ro European co-operation. It seems clear that the German Cha lor does not want to consider, until he is compelled to do so, a solution. His political opponents argue, of course, that he ha in fact got one. But there is evidence that the delay in achi 'results', the existence in men's minds of unanswered ques about sovereignty, rearmament, and the future of the Sa France does not ratify E.D.C., are causing differences of op within the Government and speculation in the country at l

The Opposition's point of view is unchanged. After a discu between Dr Adenauer and the leader of the Social Demo Herr Ollenhauer, following the Berlin conference, the latte nounced that his party would not support a bi-partisan fo

[1] *Deutsche Korrespondenz*, 5 June 1954, p. 5.
[2] *The Spectator*, 14 May 1954.

policy based on European integration and the European Army. In the opinion of the S.P.D. efforts towards reunification must come first and nothing must be done to deepen the divisions between the two parts of Germany. Herr Ollenhauer told the Bundestag on 28 April that his party was bound to the Western world and against the totalitarian system of Bolshevism, but believed that unity could be restored to the nation only if the Western Occupying Powers reached agreement with the Soviet Union. The policy of the Federal Government, which pursued a one-sided integration with the Western fringe of the European Continent and not with Europe, did not meet the issue. The party executive passed a resolution on 3 May declaring that the Federal Government must prevent the evolution of German partition into a lasting condition and the permanent loss of freedom to the zone occupied by the Soviets... The Occupying Powers could not be released from their obligation to terminate the division of Germany.[1]

The S.P.D.'s alternative proposal is for a coalition of the Scandinavian States, Great Britain, and the six States of Little Europe as an alternative to the European Political Community and E.D.C., and urges the resumption of the four-Power negotiations. It still believes that the German problem cannot be solved by itself but only through a general *détente*. The Federal Republic should, in the Opposition's view, contribute to the defence of Europe only if it is assured that the reunification of Germany is not thereby made more difficult and if the European security system is established within the framework of the United Nations. Political opponents within Germany and supporters of political integration abroad both describe this policy as negative, nationalist, bankrupt, and 'opposition for the sake of opposition'. Its supporters can, however, at least claim that it has been no less consistent than that of the Federal Government.

It will be recalled that the Federal Chancellor needed to form a Coalition Government after the elections in order to secure a two-thirds majority, since the C.D.U. had won 244 seats against the 151 of the S.P.D. Opposition.[2] There have been signs recently,

[1] *News from Germany*, May 1954.
[2] On 17 June a C D U. member of the Bundestag, himself a refugee, left the party and joined the All-German Block (B H.E.) because he was dissatisfied with Government policy towards refugees. This secession wipes out the absolute majority of the C.D.U./C.S.U. in the Bundestag (244 votes out of a total of 487) but it has no immediate significance since Dr Adenauer can still count on sufficient votes from his coalition to give him the two-thirds majority he needs (324 out of 487).

according to a German commentator, that the unity of tl
coalition is now no longer as 'cement-hard' as the Chancell
would wish.[1] In a full-dress foreign affairs debate in the Bundest
on 29 and 30 April, however, the Government obtained a majori
of 275 to 135 votes and thus a free hand in its foreign policy. T
terms of the resolution gave renewed support to the policy
European integration on the basis of equality of rights and duti
and looked to the Federal Government for the further develo
ment of this policy. On the Saar question it supported the res
lution of the previous Bundestag of 2 July 1953 which had urg
the Federal Government to make an end of the *de facto* separati
of the Saar from Germany and to defend its legal position as a pa
of Germany. During the debate the Chancellor had laid down h
Saar policy as: final settlement in the peace treaty; Europeaniz
tion to be approved by the Saar people; a European solution ar
not legalization of the *status quo*; full human rights to the peop
of the Saar; and no transformation of the Saar Territory into a ne
State.

There is no reason to suppose that the Chancellor will fail
carry the Bundestag with him in support of the agreement b
lieved to have been reached between him and the French Depu
Prime Minister, M. Teitgens, in discussions in Paris on 20 Ma
if the French Parliament gives its approval. But the Free Democr
Party, which forms part of the coalition, has never wavered in i
insistence that France has no right to the Saar and that a pri
solution of the Saar question ought not to be a condition of Frenc
acceptance of E.D.C. About twenty Deputies belonging to tl
Free Democrats and to the All-German Block (the Refugee Part
voted against the Government on the resolution of 30 April. At tl
party conference of the F.D.P. Herr Dehler, leader of the party
parliamentary group, was reported as saying that Europeanizatic
is a 'paper thesis' when no 'Europe' exists and that if the Frenc
argued that they could not live without the Saar, then the Germa
answer should be that they had lost their Eastern Territories an
that 10 million expellees must also live.[2] These views, it should b
pointed out, do not necessarily have the support of the party as

[1] *Die Gegenwart*, 8 May 1954 The decision taken by the Bundestag (13 June
on a proposal of the Free Democrats that the Federal Assembly for the electi
of the next President of the Federal Republic should take place in West Berl
(instead of in Bonn) as an 'all-German gesture', may be taken as anoth
indication of this fact.

[2] *Frankfurter Allgemeine Zeitung*, 10 May 1954.

le. But there is undoubtedly approval in West Germany today the two propositions that reunification is the foremost task of man foreign policy and that the Federal Government must face alternatives to E.D.C.[1] The leader in *Die Gegenwart* just ted sums the matter up as follows: 'Freedom, security, and y are not the task of the S.P.D. but of everyone and also of the ernment, since they always describe the Opposition's sugges-s as not genuine (*unecht*)... It is possible to be a good European i if one puts E.D.C. on one side, and one must also respect the iion that it is equally possible to be a good German if one sup-s the Chancellor's integration policy with the same degree of viction, as the best means of achieving the reunification of many in peace and freedom.'

is evident that continued delay, and the possibility of eventual ire, in carrying through the policy of European integration has le some Germans 'sovereignty conscious'. The Federal Re-lic will not be free to pursue its own foreign and economic cy, and free from all restrictions on its sovereignty, until the n Treaty has come into effect. It cannot, for example, enter normal diplomatic relations with the U.S.S.R. In a debate in Bundestag in April an F.D.P. deputy, Herr Karl Pfleiderer, rred to this gap in the Federal Republic's diplomatic relations. said that the determination not to recognize the Soviet zone second German State was only a part of the question; Ger-y's relations with the Soviet Union as an Occupying Power partner in the peace treaty was the other side of the picture, he therefore suggested that an all-party parliamentary delega-should be sent by the Federal Parliament to Moscow. In r Pfleiderer's view it was necessary for Western Germany :fully and cautiously to bind together the broken threads of her omatic relations'. On 18 May the parliamentary group of the : Democratic Party supported Herr Pfleiderer's initiative in a lution which said that the alliance with the States of the tern world must be the basis of German foreign policy and was condition of peace and freedom, but that it regarded the pro-l as able to help in the normalization of Soviet-German

.t the F D P. party conference in May the party's military adviser, General euffel, proposed a European Coalition Army within N.A T.O. and com-l of the six countries of 'Little Europe' with a joint Higher Command and ral Staff, joint armament and planning authority, standardization of ons and units, joint training schools for officers, joint parliamentary con-out no joint budget. (*ibid*, 22 May 1954).

relations, in reunification, and in getting back German prison of-war.

It was perhaps hardly surprising that Herr Pfleiderer's propo raised the ghost of Rapallo[1] both inside and outside Germa Dr Adenauer, though first reported as saying in Hamburg t diplomatic relations with the Soviet were possible 'in the fores able future', refused to permit the sending of any parliament delegation to Moscow, and later said that the mere mention of su a proposal had done serious harm to West Germany. He co demned what he called a zig-zag policy because it might lead to l of confidence in Germany. Herr Pfleiderer has, however, reit ated his view that since reunification can come only by peace means Germany must talk to the Russians, and has said that many German circles doubts exist whether it is not a mistake rely so strongly on the West even though at the same time dou must also exist about the Soviet standpoint on German reunifi tion. Herr Pfleiderer seems to have had talks in March witl representative of the Soviet High Command in East Berlin. there is nothing, it should be pointed out, in the record of t former diplomat to suggest that he himself is the mouthpiece sinister forces or is even aiming at a new Rapallo. He has in the p always supported Dr Adenauer's policy and in 1953 was a Germ delegate to the Council of Europe.

Inevitably, perhaps, the Pfleiderer proposal has caused a cert amount of public discussion. A statement by Count Bismar Chairman of the Foreign Policy Committee of the C.D.U. West Berlin, that the question of talks in Moscow 'would occu us seriously in the future (though only on the basis that the Fede Republic could never recognize the so-called East Germ Republic) since the outstanding question is reunification brought on him the official dissociation of the Government. T most severe castigation was, however, reserved by the Chancel for his fellow-member of the former Catholic Centre Party, Chancellor Brüning.

Dr Brüning reminded a Düsseldorf audience that the most su cessful period of East-West relations for Germany had been und the Chancellorship of Stresemann when she was a signatory of t Western treaty of Locarno and of a bilateral Eastern treaty

[1] The Treaty of Rapallo between Russia and Germany signed on 22 A 1922—*Ed.*

[2] *Christian Science Monitor*, 13 May 1954.

n which guaranteed Russia against aggression from or through
nany. This Dr Adenauer described as a pernicious and peri-
political doctrine. Perhaps the Chancellor's exasperation is
y due to the fact that the Pfleiderer proposal has undoubtedly
damage to the harmony within his coalition. Moreover, the
tion accorded to it has caused some bitterness even in
ters which cannot be regarded as sympathetic towards the
munist East. The *Süddeutscher Zeitung*, for example, wrote:
n the mere thought of an alternative foreign policy is for-
en. . . Excuses are made for the French, but the Germans are
to be) dreaming of Rapallo and never to have been serious
E.D.C.'[1] The Opposition condemned the Pfleiderer proposal
nas declared that it will take no part in discussions on opening
ons between Germany and the Soviet Union, for though the
ct is very important the method is wrong, and the Social
ocrats will not support private action by parties or individuals,
h they do not regard as the right way of dealing with prob-
of Germany's national interests. On such matters the Govern-
must deal with the four Occupying Powers.[2] The Opposition
lso in fact made it clear that it believes Pfleiderer's suggestion
ve been inspired by big business interests in the F.D.P. who
to open up Eastern markets.

nat some business interests are concerned about Germany's
relations with the East is clear enough quite apart from the
lerer kite. Germans continue to think of Eastern Europe as
traditional market; in the early 1930s the exchange of Ger-
manufactured goods for imports from Eastern Europe of
stuffs and raw materials—timber and oil, for example—
unted for over 40 per cent of the total German export trade
or over 13 per cent of her total imports. Today they are watch-
he progress of industrialization and the policy of economic
ration in these countries with some misgivings. There is also a
spread belief that the Western Powers enjoy certain advant-
over Germany in trade negotiation with the Eastern *bloc*,
he removal of controls has to some extent become a question
tional prestige. Germany is a member of the Consultative
p Co-ordinating Committee (COCOM) in Paris, an ad-
y body for the co-ordination of Western policy on exports
rategic goods to the Communist world; but some German

ted in *Neue Zürcher Zeitung*, 27 May 1954.
euer *Vorwärts*, 21 May 1954.

industrialists appear to believe that as a result of the present thr
Power discussions on the lifting of some of the embargoes G
many may be prevented from gaining access to the East
markets on a basis of equality with the Western Powers.

Despite the remarkable post-war recovery made by the Fed
Republic, German exporters are conscious of the fact that th
country has not regained her place in world markets.[1] By 1
West Germany's share in world exports was only 5·9 per cent
the total, compared with the 1936 proportions of 7·5 per cent
the corresponding area and 9·3 for the whole Reich. Her tr
with China has made, it is true, great strides in 1953, but
volume of trade with Russia and the satellites has remained a
disappointingly low level. German trade with all the satellites
cept Rumania has up till now been conducted under bilate
trade and payments agreements which were first negotiated dur
the early post-war years. With Rumania, a trade and payme
agreement was signed in Vienna on 8 February 1954 providing
formal clearing arrangements and an exchange of goods in 1
to a total value of $33 million both ways (more than twice the 1
level and roughly 25 per cent of her pre-war trade with Ruman
The importance of this agreement lies in the fact that, in
absence of diplomatic relations between the two countries, it l
been negotiated in its entirety by the *Ostausschuss der deutsc*
Wirtschaft (Eastern Committee of German Industry), an advis
group to the Bonn Government consisting of industrialists, ba
ers, and civil servants.

Pressure has been exerted for similar methods to be used
negotiating a trade agreement with the Soviet Union, wh
Germany is formally prevented from concluding until the Bo
Conventions come into force. By mid-May it was announced
the Eastern Committee that at the Geneva Conference discussi
had been confined to arrangements for the early beginning
direct trade negotiations. A delegation consisting of six memb
of the Federation of German Industries (*Bundesverband*
Deutschen Industrie) was expected to leave for Russia during Ju
but it was emphasized that the delegation was merely to arrang
legal basis for future trade without discussing actual busine

The fact that new Russian exports such as oil and mangan

[1] See 'German Industry Looks Ahead': a summary of the 1954 Annual Rep
of the Federation of German Industries, in *The Bulletin* (issued by the Pr
and Information Office of the German Federal Government), Vol. 2, No.
June 1954.

made their appearance, and that offers from the rest of the
rn *bloc* have been increasing, has not unnaturally intensified
iterest of some German industrialists in trade with the East.
ıpart from the possibility that these Eastern offers may be
ded as propaganda moves, there are two main limiting factors
which business and Government circles are well aware,
gh they have not received publicity in the press. The first is
loubtful ability of the Eastern countries to supply goods
ed by Germany at a price importers are willing to pay; in the
d place, German importers are limited by the fact that Ger-
has become an unwilling creditor nation with the problem of
ıg an internal market for goods offered by her debtor cus-
rs in the West.[1]

then, there is evidence to show that big business in Germany
erested in the possibilities of trade with the East, the issue
ins primarily political, and Government statements have been
spondingly cautious. In March, Vice-Chancellor Blücher
.P.) pointed out that though the increase of trade with the
rn *bloc* would not in his view directly diminish political
on, every increase in peaceful dealings improved the chances
ture political negotiations.[2] In June, on the other hand, Dr
auer brusquely declared that he did not believe that an in-
e in East-West trade could bolster up Germany or speed up
ecovery, and in his view its attractions were being exagger-
by the Soviet Union for political reasons.

survey of the German scene however partial or superficial
fford to omit all reference to the 8 or 10 million expellees
e party, the All-German Block (B.H.E.), took part in the
al elections last September, won 27 seats, and was given two
in the Cabinet, held by Herr Waldemar Kraft, Minister for
al Tasks, and Dr Theodor Oberländer, Minister for Refugees.
e has recently been something of a crisis, or rather perhaps of
ce revolution, within the All-German Block, which has been
ibed as marking the end of an epoch in the history of the
.[3] The occasion was the annual party conference held at
feld when Herr Kraft, Chairman of the party since its forma-

. wheat from Turkey. An example of the other side of this picture is
ed by the reported order from the U.S.S.R this spring for fifteen floating
ctories (following an earlier order for ten others) made dependent on the
ance of part-payment in goods.

gesspiegel, 18 March 1954.

e Gegenwart, 22 May, pp. 377–8.

tion, was not re-elected and the office went to Dr Oberländer. T
represented a victory for the party's nationalist wing, who are
to have regarded Herr Kraft as too conciliatory and as not hav
voiced resolutely enough in the Cabinet the All-German Blo
views on 'vital German problems'. Dr Oberländer has b
described as 'robust, energetic, hard-working, and humourle
and can be trusted to represent vigorously the views of those v
voted him into the chairmanship and, equally, to do nothing
weaken the party's position in the Government but rather
necessary, to demand a higher price in terms of expellee inter
for the 27 votes of the party in the Bundestag should they e
become vital to the Federal Chancellor's majority. On the ot
hand, if the parliamentary party and with it the central expe
organization (*Gesamt Deutsche Verband*) were to fall to pieces, i
likely that the section now in the ascendant under the leaders
of Dr Oberländer would find its spiritual and political home am
political parties and groups considerably further to the right. So
German observers, particularly those whose jobs bring them i
contact with young people, believe, however, that many of th
million expellees, whom the party originally represented, no lon
regard themselves first and foremost as expellees. The youn
generation is now beginning to feel that it has its roots, as it n
has its jobs and its homes, in Western Germany. Among its elde
nevertheless, there is still a strong sense of identity as members
groups which have been driven from their homes and now fi
themselves through no fault of their own both exiled and und
privileged. The *Landsmannschaften*, or regional associations rep
senting Sudeten Germans,[1] Silesians, East Prussians, Pomerania
and others, still have a large and active membership. Alm
750,000 of them met during Whitsun week-end in various parts
the Federal Republic, the largest group on this occasion bei
Sudetens in Munich. All speakers seem to have stressed the f
that they could regain their homes only by peaceful means, t
the first step was reunification, and the logical end equal
within a European federation. There must be no resumption
diplomatic relations with States such as Poland and Czech
slovakia if this implied confirmation of loss of their homelan

[1] It is claimed that attendance at the rallies of the Sudeten German regio association has increased from 40,000 in 1951 to 380,000 in 1953, and not short of 500,000 in 1954. (*Die Zeit*, 10 June 1954; *Manchester Guard* 7 June 1954).

[2] *Manchester Guardian*, 7 June 1954.

This article has touched on a few of the topics that are currently discussed in Germany, in the press, and among people actively interested in or concerned with politics and foreign affairs. But the great majority of Germans, it is fair to say, are not interested in them at all, or only intermittently. There is a boom in Germany today; the 'national vice' of hard work is everywhere in evidence, and most people are fully occupied in doing their jobs and making money. There are signs of prosperity everywhere and few grumbles are to be heard today except perhaps about the difficulty of finding less cramped living quarters. The end of the school year at Easter saw the largest number of school 'leavers' in any year since the war. The great majority of these boys and girls, like their predecessors in the last few years, are chiefly interested in getting jobs, or completing their university course, as quickly and successfully as possible. Except for a comparatively small number of idealistic supporters of the European Movement, the last thing they appear to want to do is any kind of military service, though this should not be taken to mean that there will be a large number of conscientious objectors if and when a period of compulsory military service is introduced. By and large, then, the people of the Federal Republic are well satisfied with the miracle of recovery (*das deutsche Wunder*) that they have achieved, and are resentful only of any interference in the legitimate task of building up a strong and prosperous Germany under the leadership of the Chancellor who, up till now, has never failed to get things done.

H. G. L.

The Colombo Conference

Neutrality the Keynote

THE Colombo Conference, which met on 28 April 1954 and ended at Kandy on 2 May, was not summoned for any particular purpose. It was the product of a bright idea, originating from Ceylon, to have a meeting of the Prime Ministers of the five Asian nations which have achieved independence since 1945—Burma, Ceylon, India, Indonesia, and Pakistan. The idea was adopted by Sir John Kotelawala, put to the Prime Ministers of Pakistan and India when

he visited those countries in February, and accepted by th
There was to be no agenda. It was a conference 'to exchange vi
and discuss problems of common interest and concern to them
The word 'all' needs emphasis, for it was understood that the c
flicts between India and Pakistan were to be excluded as cont
versial and the special concern of those two countries.

The Ceylon newspapers regarded the conference as a gr
triumph for Sir John Kotelawala; the Indian newspapers w
certain that Mr Nehru had achieved a great success; the Pakis
newspapers were loud in praise of Mr Mohammed Ali's stat
manship. What the newspapers of Burma and Indonesia saic
unknown to the present writer, but it is not difficult to gu
Evidently the most successful person was Sir Oliver Goonetille
Governor-General designate of Ceylon, who did the drafting
such a way not only that everybody agreed but also that everyb
could be given the credit. It is a pity that this attitude should
adopted by the press, but it is a consequence of the strained re
tions between India and Pakistan. The praise given by the Cey
newspapers to Sir John Kotelawala was not unmerited. It was
claimed that he had obtained what Ceylon wanted, but that he
suggested and presided over a successful conference.

The conflict between India and Pakistan could not be kept
in spite of the express agreement that it was not on the agenda.
point made in the English newspapers, that the Asian Pr
Ministers were willing to solve all problems except their own,
equally obvious to the Prime Ministers, and indeed it was mad
Colombo before it was made in London. Mr Nehru was on
defensive, for Mr Mohammed Ali made it plain that he was will
and indeed anxious to negotiate. It was even suggested—thoug
may be only idle gossip—that Pakistan was willing to have
question of American military aid brought into the negotiati
The Prime Ministers of Burma and Ceylon evidently thought
India was being obstructive. To those of us who know noth
of the merits of the case this seemed indeed to be the most suita
time for a negotiation favourable to India; for the Muslim Lea
Government of Pakistan had suffered a grievous blow in
provincial elections in East Bengal and was anxious to gain pr
tige. The favourable moment passed: there was no agreement
tween India and Pakistan; and the Prime Minister of Pakis
said on his return to Karachi that he had almost given up hope
solution by agreement.

he other discussions had at one time threatened to become demic' in the worst sense. The opening of the Geneva ference on Asian problems gave them a sense of actuality. of the main issues was that of Indo-China, on which the ne Ministers thought that they could advise Geneva, though itually Sir Oliver Goonetilleke had to produce a compromise nula.

s might be expected there was complete agreement on one it, that 'colonialism' had to be removed from Indo-China. It is ificant that this term has replaced the pre-1947 term of 'im-alism'. The latter term has an ideological foundation. It comes 1 J. A. Hobson through Lenin's famous perversion. It is, efore, associated with Marxism. Imperialism, being a stage in decay of capitalism, could not be overthrown except by a pro-ian revolution. Even in India doubt is being thrown on this nula; for though it is agreed that India obtained independence non-violent non-co-operation, which is the Asian version of lution, capitalists played and still play a significant part in the an National Congress. Indeed, as Travancore-Cochin and hra, as well as the conflicts in Madras, show, the Congress is ming a party of the right. The Congress led not a proletarian lution but a nationalist revolution: it overthrew not imperial- but colonialism.

ikistan was the product of a politico-religious movement. Like Congress, the Muslim League was, and still is, anti-British. On other hand, it was and is also anti-Communist. Ceylon is even e sure of itself. It did not rebel at all. It persuaded the colonial er that independence was the just solution. The leaders of the ed National Party (and for that matter, the two most in-itial Opposition leaders, Mr S. W. R. D. Bandaranaike and N. M. Perera) are capitalists. What Mr D. S. Senanayake oved was not imperialism as Lenin understood it, but colonial- The present enemy—and Sir John Kotelawala in his public ches makes this abundantly clear—is international Commun- Burma and Indonesia represent a more left-wing tendency, semi-Communism of the Great Depression. Nevertheless na cannot hide from itself that the immediate danger comes Communist China. Indonesia, on the other hand, is so full of iternal problems that the question of the balance of power in h-East Asia has not yet been formulated there.

ius the primary consideration in the war in Indo-China was

that it 'threatens the establishment of the freedom and indepe[n]ence of the people of Indo-China'. The Prime Ministers conside[red] that 'France should declare at the Geneva Conference that sh[e is] irrevocably committed to the complete independence of In[do-] China'. So far there was complete agreement. In this context [the] question whether Viet Minh was or was not Communist-domina[ted] could be ignored.

There could also be complete condemnation of 'colonialism' [in] other parts of the world, and the Prime Minister of Pakistan [was] gratified by a reference to Tunisia and Morocco. They could [not] go so far as to assert that Israel was an experiment in Ameri[can] colonialism: but, since Pakistan desired an expression of sympat[hy] with the Arab refugees of Palestine and Asian Prime Ministers [did] not lack sympathy for them, that also could be recorded. Th[ese] specific references helped towards the 'triumph' of Mr Mohamm[ed] Ali.

So far, Mr Nehru had obtained little. Virtually his six-point p[lan] for Indo-China, to which advanced publicity was (perhaps [un]fortunately) given, had been rejected.[1] The fundamental quest[ion] was whether Pakistan, Ceylon, Burma, and Indonesia could su[p]port the idea of a 'third force', maintaining neutrality betw[een] Communism and anti-Communism. Realists like the Pri[me] Ministers of Pakistan and Ceylon of course recognize that n[eu]trality is decided not by the neutrals but by the belligerents. In[dia] does not in present circumstances fear Communist infiltration a[nd]

[1] The communiqué issued on 2 May disposed of the Indo-China ques[tion] in the following general statement: 'The Prime Ministers welcomed the ear[nest] attempts being made at Geneva to find a solution to the problem of Indo-Cl[hina] by negotiations, and hoped that the deliberations of the Geneva Confere[nce] would bring about a speedy termination of the conflict and restoration of p[eace] in Indo-China. They considered that the solution of the problem of Indo-Cl[hina] required that agreement on a cease-fire should be reached without delay [The] Prime Ministers felt that the solution of the problem required direct negotiat[ions] between the parties principally concerned, namely France, the three Associ[ated] States of Indo-China, and Viet Minh, as well as other parties invited by ag[ree]ment.

'The success of such direct negotiations will be greatly enhanced by agreement on the part of all the countries concerned, particularly China, United Kingdom, the United States, and the U S S.R , on the steps necessar[y to] prevent a recurrence or resumption of hostilities. The Prime Ministers [con]templated that this negotiating group would report to the Geneva Confere[nce] for final decision. They proposed that France should declare at the Ge[neva] conference that she is irrevocably committed to the complete independenc[e of] Indo-China In order that the good offices and machinery of the United Nat[ions] might be utilized in the furtherance of the proposals of the Geneva Confere[nce] and implementation of the decisions on Indo-China, the Prime Ministers [were] of the opinion that the Conference should keep the United Nations informe[d of] the progress of its deliberations on Indo-China.'

ore can afford to be generous. Pakistan, Burma, and Ceylon
feel so secure. It was at this point that skill in the drafting
olutions became important.
ompromise formula was inevitable, but it was not difficult to
it because there is a common dislike of United States policy
herefore of the 'anti-Communist front' led by the United
This anti-Americanism is a little difficult to analyse because
notional: but, since it is one of the most important elements
an opinion, an attempt must be made. It is apparently not
stood in Europe, and it causes bewilderment in the United
The Americans are very conscious of their genuine anxiety
and of the large sums of money which they are willing to
Yet the United States is the bogeyman in most parts of
The explanation is complex.
en the present writer went to Calcutta in 1945 he found that
om which had been booked for him by the representative of
eylon Government had been appropriated by an American
who had, according to the Ceylon representative, bribed
ception clerk. He therefore shared a room with five others.
day he could not get a taxi because he was not in American
m, and the Sikh porter took a great deal of trouble to find a
aw to take him to the railway station. In those days an
hman was, comparatively speaking, a privileged person. It is
ore easy to understand how the Indians reacted to a situation
ch a second 'ruling class' was superimposed upon the first.
ind of thing was going on all over Asia.
dropping of atomic bombs on Japan was received with even
horror in Asia than in Europe. Though we now know the
ion to be untrue, it was thought that the Americans had re-
l from using the bombs against the Germans, who in Asian
ge are 'Europeans', but had kept them for use against the
se, who were 'Asians'. The taking of life on so vast a scale
specially obnoxious to devout Buddhists and Hindus.
heless, the Americans are not only continuing with experi-
with even more destructive bombs; they openly boast about
n order to frighten the Communist countries into maintain-
ace.
ea, in Asian opinion, was not a conflict between the United
ns and aggression. It was a conflict between the 'Anglo-
can power *bloc*' and the 'Communist power *bloc*' in the
of which an Asian country was laid waste. It might have

gone on for years if a stalemate had not been reached and Ind
produced an acceptable formula. American policy, it is thought,
interested in transferring the battle to another terrain, Indo-Chin
in which three more Asian countries will suffer the consequenc
of undeclared international conflict. Europe and America, it
argued, are fighting their battles in Asia.

Whether the aggressive anti-Communism of the United States
the correct policy is not the question. The impression which
conveys is that on the one side is aggressive Communism and
the other side aggressive anti-Communism. This impression th
anti-Communism is as aggressive as Communism is deepened
the activities of Senator McCarthy. Particularly devastating are t
pictures showing witnesses being questioned, closely pressed
their accusers (who are also their judges), both physically ar
metaphorically, and surrounded by reporters and press phot
graphers. One of the British institutions which retains its pop
larity in India, Pakistan, Ceylon, and Burma is 'British justice
and this is not British justice; it is trial by Star Chamber. If this
anti-Communism it is no more attractive than Communism. If th
is 'the American way of life' the Asians want no more of it.

American aid has little propaganda value. It is generally pr
ceded by a brass band, while the Battle Act shows that it is
instrument of policy. Ceylon cannot have American aid because
supplies rubber to China—at thirty cents above the market pric
which is determined by American demand and the price of sy
thetic American rubber. The Battle Act does more than limit aid
'friendly nations', it reduces the number of friendly nations. Ceyl
is the most friendly of the five countries because strategically ar
economically it is dependent upon the West.

This anti-Americanism is common to the five countries ar
differs little in intensity. The differences lie in the attitude
Communism. This may read like a distinction without a differenc
It is, however, possible to be anti-Communist without being
supporter of American policy. United Kingdom policy mee
with more favour than American policy: but the United Kingdo
is in the 'Anglo-American power *bloc*'. All this is accepted; t
problem was to produce such a balance between Communism ar
anti-Communism as would satisfy the Prime Ministers of Ceylo
Pakistan, and Burma on the one hand, and the Prime Ministers
India and Indonesia on the other hand. The express condemnati
of international Communism which the former wanted w

d down because the Prime Minister of India thought it tic. The main resolution began with an affirmation of faith in racy and of their resolve to preserve it. It proceeded to their 'unshakable determination to resist interference in airs of their countries by external Communist, anti-Communist, or other agencies'. It thus gave equal condemnation to unism and anti-Communism, and by implication to the both of the Soviet Union and of the United States. On the hand, it is a negative resolution: it does not say that the five ies regard themselves as a 'third force': it merely says that ill resist interference in their affairs by either *bloc*.

olutions of this kind have no value except to indicate trends nion. What is more important is the discussion which pre- and succeeds the resolution. These discussions are particu- mportant in Asia because experience in international rela- s lacking and ideas are vague. Comment must be limited to Pakistan, and Ceylon because the writer knows too little Burma and Indonesia. Ceylon had no real interest in foreign until Sir John Kotelawala came into office. In the main the y was content to tag along behind the United Kingdom, and wspapers regarded foreign affairs as middle-page stuff. Sir would not claim to be an expert, but his prejudices are rn and anti-Communist. The effect of the discussions will ly have been to bring him nearer to Mr Nehru's point of and certainly there is a more active public opinion in that on. Anti-Americanism has been stronger and anti-Com- m weaker since the conference. In Pakistan, probably, the ence has had little effect on public opinion because Kashmir dominant theme. Within the present Government it has, er, tended to bring Pakistan and Ceylon a little closer. n, Ceylon, and Burma have a common fear, never precisely ated, of 'Indian imperialism'. There has never been the st suspicion of a threat from New Delhi, but there are nal references to 'manifest destiny' in the State legislatures; dian action in respect of Hyderabad, Kashmir, and Junagadh e threats to the French and Portuguese 'pockets' do not rule e possibility of force. Burma and Ceylon are incapable of more than diplomatic assistance to Pakistan, but even matic assistance may be helpful.

he past Mr Nehru has shown himself very sensitive to this tion of 'Indian imperialism'. Indeed he has gone out of his

way to emphasize India's friendly attitude. The accusation was 1
formulated in the Colombo conference, but it was plain in the c
cussion over Kashmir that Burma and Ceylon as well as Pakis
felt that India was being intransigent. The discussions were su
posed to be secret, but, as always happens in Ceylon, 'leakag
were full and regular, and they gave the impression that
Nehru felt he was being badgered. It is unlikely that this will aff
his attitude, but in another respect the discussions will proba
have affected Indian policy. As has been mentioned, there wa
very large area of agreement over Communism and anti-Co
munism. Mr Nehru's policy was not supported, but neither v
that of the United States. If India is to lead Asian opinion it m
tone down its anti-Americanism to a level acceptable to Pakis
and Ceylon.

In short, the attitudes of the three countries have moved nea
to each other. Its very novelty made the conference unlike
normal conference in the West. Opinion is still flexible enough
be influenced by discussion. Probably the strongest influence wa
Ceylon, not only because the conference was held there, but a
because there the parish pump dominated politics and interest
external affairs was so small that there could not be said to b
formulated public opinion on international problems. Possi
the next conference will have the same effect in Indonesia.

I. J

Stalinism in the Post-Stalin Regime

'The Ministry of Truth' without 'Big Brother'

SUBSCRIBERS to the Great Soviet Encyclopedia recently recei
a notice which read:

'The State Publishing House recommends subscribers to
Great Soviet Encyclopedia to remove from Volume V pages 21,
23, and 24, as well as the portrait between pages 22 and 23, and
insert in their place the enclosed pages containing a new text. T
pages indicated should be removed with scissors or razor bla
leaving a margin to which the new pages should be pasted.'

The notice accompanied all copies of a later volume, and the pages to be removed contained a flattering biography and portrait of Beria. In their place subscribers received an article on the Bering Straits.

The Ministry of Truth, to adopt George Orwell's nomenclature, is still at work in Russia. How does it function today, and what are its tasks?

The second part of the question can be answered by comparing the Bible of the Stalinist era, *A Short History of the C.P.S.U.(b)*, with the long article on the same subject in the most recent volume of the *Great Soviet Encyclopedia*. Prepared by the Marx-Engels-Lenin-Stalin Institute attached to the Central Committee of the Communist Party, it is the most authoritative official statement on the subject at the moment. The article itself is in part a summary of the book, but the distribution of emphasis, the mixture of untruths and omissions, is very different. Nevertheless, it provides a useful corrective to the hasty conclusions about Stalin's posthumous status made over the last year. The emasculation of the Stalin legend, together with other measures striking at his memory, were greeted by many commentators as the beginning of a fundamental change in the Soviet political system. The death of Stalin was equated with the end of Stalinism, with his successors now prepared to extend the area of freedom by a gradual introduction of democracy at the Party level.

Reputedly sober commentators came to the conclusion that 'we are back to the comparative decency of Lenin and Trotsky. . . . What we have before us is a retreat, in this sense, to Leninism'. The system of terror and purge was ended, they said, by 'the simple decision of five or six men (who) have undone what the simple decisions of one had created'. Their resolve is explained by the fact that 'Malenkov and company have just succeeded in surviving the most murderous tyranny that a ruling-class ever suffered . . . they used Stalin's system as a ladder to the top. But this cannot possibly have reconciled them to it. . .' This curious belief that the role played by Stalin's accomplices was involuntary and really centre-coeur was fairly widespread. The dust has not yet settled, but an interim inventory can be made of the indications which the present use of historical facts by official Soviet propaganda provide for the understanding of post-Stalinist developments.

In the Encyclopedia article the role of Lenin in the building of the Party and State is emphasized more than in the *Short History*.

Stalin is first mentioned in the remark that 'In Lenin's works *Critical Remarks on the National Question* (1913), *On the Right of Nations to Self-determination* (1914), and in the work of J. V. Stalin *Marxism and the National Question* a scientifically-founded, marxist programme on the national problem was laid down.' In the *Short History* the works are quoted in reverse order. There Stalin's role is stressed from as early as 1905 i.e. nine years earlier. The division within the Bolshevik leadership after February 1917 is covered up by the allegation that 'the entire party with the exception of a few individuals of the type of Kamenev, Rykov, Pyatakov, received Lenin's (April) theses with great satisfaction'. The personal interest which Stalin had in concealing his vacillations at that critical moment coincides with the interest of the present rulers, while maintaining the dogma of Party infallibility, to preserve this retrospective fiction. There is, however, one subtle personal *restitutio ad integrum*. The *Short History* gives the text of the resolution on the national question adopted by the April conference of Bolsheviks without mentioning its author. It puts Stalin in the forefront and emphasizes his role as 'the spokesman of the C.C. during the conference'. In the third edition of Lenin's *Collected Works* (1936, Vol. xx, p. 653) it is stated that 'Stalin put forward the views on the national question which were formulated in the draft resolution written by Lenin'. In the fourth edition (1949, Vol. xxiv, p. 564) we read that 'Lenin and Stalin put forward in the Committee on the national question the draft resolution composed by them'. The article in the Encyclopedia dryly states that 'the resolution on the national question was written by V. I. Lenin'. Thus a masterpiece of historical equivocation which shifts the emphasis and creates 'virtue by association' is dropped. It is no longer necessary to flatter Stalin's vanity in trivial details by variations on the 'Lenin and me too' theme.

But this rectification of a minor point is the only actual excavation from the 'memory-hole' known to the present writer. All the other myths are preserved, including that of Stalin's directing the October insurrection. The retouched photograph showing Lenin and Stalin in Gorki in 1922, which was used in innumerable reproductions to replace in the public mind the Lenin-Trotsky dyad, is given a full page. Soviet citizens are so accustomed to it, and the photograph had acquired such symbolic significance that there can be no doubt about the political meaning of its continued use. It shows which genealogical line of ideological continuity the

present authority stresses in the process of its own legitimization. This is a point worth noting in spite of the reduction of Stalin's role. The distribution of emphasis in this new edition of "history' provides the key to understanding. By its analysis we can perhaps slightly penetrate the really important question: what are the attitudes of the present rulers? This more stable factor in opinion formation can also be discerned in the emphasis laid on Stalin's pre-eminence in the struggle with the opposition. It is in the period between Lenin's death and the fourteenth Party Conference that Stalin really comes into his own in the article. His role during this time is reflected as forcibly as in his own version in the *Short History*.

After this point the article again becomes selective. All phrases like 'Comrade Stalin indicated that,' plentifully and conspicuously scattered throughout the *Short History*, are replaced in the article by 'the Conference (or the Party) resolved that . . .' For instance, in Chapter XI, describing collectivization, Stalin 'indicated correctly' no fewer than fifteen times. In the article his role during the same period is reflected in one sentence: 'According to the decision of the C.C. of the Party an article by J. V. Stalin "Dizzy from Success" (1930) was published, which helped party organizations to rectify their mistakes.' The sentence itself must have been very carefully worked over. It derives literally from joining two sentences from the *Short History* and omitting one. The phrase 'Comrade Stalin's article was of the utmost political import', appearing between these two sentences, is omitted from the article. So are the italicized words in the next sentence: 'In order to complete the work, *begun by Comrade Stalin's article*, of rectifying distortions and mistakes the C.C. of the C.P.S.U.(b) decided . . .' In the description of the period between 1930 and the publication of the *Short History* Stalin's name is mentioned only once, in sharp contrast to the book, where the corresponding section is devoted to underlining his importance.

The first falsehood arising from post-Stalinist developments is also made by omission. It is said that the State Committee of Defence set up on 30 June 1941 consisted of Stalin, Molotov, Voroshilov, and Malenkov. One need only look into an earlier volume of the same Encyclopedia (VII, p. 163) to find out that the Committee included also Beria.

Beria was not only executed; he has been vaporized. His name is not mentioned in the text at all. The speeches at Stalin's funeral

were made by Malenkov and Molotov. There is no mention of a third speaker. It is also interesting to note that although the 'plots' of the 'thirties are duly reported in the article, no mention is made of the 'doctor's plot' or of its reversal. Neither is Beria's 'conspiracy against the State in the interest of foreign capital', nor his execution. In this *memoria technica* the blackout is used to assist forgetfulness; after Bluecher and Yezhov, Beria has joined the ranks of 'unpersons', of people who never existed.

In the end the article approvingly quotes the Zhdanov resolution of 1946 on art and literature, the biological 'discussion', and the 'discussions' on linguistics and economics 'in which J. V. Stalin took part'. Just that; only a part! That these events are commended in the article is not without significance, as the method of exegesis by omission is so widely used and the 'correct facts' only are on historical display.

The general impression is that although Stalin's role is reduced, he is certainly not being put into the 'memory hole', rather, his stature is for the moment given the 'correct' proportions. The line laid down is that of neo-Stalinism, not of anti-Stalinism. To change the angle of distortion is not the same as to change the system of distortion. We are witnessing not the beginning of a slow evolution towards 'oldspeak' but a slight readjustment of the vocabulary of 'newspeak' to the new situation. Double-talk is still a compulsory public attitude, double-think a necessary private mechanism of readjustment. The attitudes behind the rationalization remain the same whether it is used for the conscious deception of the public or subconscious self-deception of the individuals.

How can one explain the main change, that of dropping the adulation of Stalin and of reducing his legend?

The change is most obvious in the re-definition of the adjective 'Stalinist' in Ozhagov's *Dictionary of the Russian Language*. The 1952 edition defines 'Stalinist' as 'connected with the epoch of socialist construction and the building of communism under the direction of the great leader of nations J. V. Stalin. The great Stalinist epoch. Stalinist Constitution. Stalinist *bloc* of communists and non-party men. Stalinist falcons (airmen). Stalinist peace policy. Stalinist plan for the transformation of nature. Stalinist international prizes "For the strengthening of peace among nations". Stalinist harvest (abundant). Stalinist care of the people'.

The same dictionary a year later: 'Stalinist. Connected with the

ctivity of J. V. Stalin. Stalinist international prizes "For
gthening of peace among nations".'
talin cult was always a mixture of two elements: of the
flattery of courtiers, spreading down the hierarchical
ructure of the U.S.S.R. where Stalin's desires imme-
verberated through the system down to the lowest level;
ole played by Stalin's deification as a unifying symbol and
ure. Among the initiated this second explanation was
eferred. For a backward population with deeply-rooted
and religious traditions, it stressed the necessity for the
the leader, personifying the unity and strength of the

the two elements were closely intermingled, and it is
o indicate the social function to be fulfilled by the nauseat-
gerations of the trembling zealots. The reason for these
bodily removed with Stalin's death. What remained
n's legend, created both artificially and on the basis of
ents connected with industrialization and victorious war.
ew rulers were faced with the task of asserting their
and of filling the gap created in the popular imagination
sappearance of the symbolic linchpin of the system. The
l lies to feed the vanity of the tyrant were not necessary
. Those with functional significance could not be re-
ithout undermining the system on which their rule rests
ngering the continuity of succession. The intermixture of
nade it risky to discard the first kind of myth without at the
e undermining the second. This involved two basically
nt necessities.
st need could be satisfied in two ways: Either by replacing
of Stalin in popular imagination by another figure of
rowing proportions. Or, since this possibility was for the
g excluded in view of the existing balance of power within
Stalinist Presidium, by belittling Stalin's stature in such
to make the gap smaller. That the second alternative was
not surprising. In his lifetime Stalin arrogated to himself
restige, so that his 'companions-in-arms' were almost
ly overshadowed. To create new myths around another
ould have been dangerous indeed for the remaining com-
This they must have clearly realized, as the manipulation
e precedes the establishment of personal authority rather
versa in the U.S.S.R., where the prestige-ceremonial has

been meticulously elaborated. The order of precedence has always indicated the relative importance of the members of the Politbureau. Or, alternatively, their distance from Stalin.

On the thirtieth anniversary of the Bolshevik revolution a war of pictures between Beria and Zhdanov took place, in which the question at issue was whose portrait should be displayed to the left of Stalin. Some buildings showed the one variant, some the other. The dilemma was later resolved by forming a semi-circle (with Molotov added) underneath the picture of Big Brother.

Such incidents are perhaps not important in themselves, but their significance as symptoms should not be overlooked. The same applies to the compositograph in *Pravda* made from the group attending the signing of the Sino-Soviet pact in February, 1950, and showing only Malenkov with Stalin and Mao, while four persons standing in between have disappeared from the actual photograph printed in the same paper three years before.

It is not surprising that the other leaders prudently prevented any further development in this direction, lest it contribute to the establishment of such a degree of prestige as would bring personal rule within Malenkov's grasp. The arrival of any one person at such a position may lead to the familiar process of the elimination of potential rivals. Therefore, instead of glorifying a new figure, the proportions of the old are reduced to a proper size, 'not too big, not too little, just right'.

Instead of towering above his successors as an almost supernatural giant, Stalin has become retrospectively almost (but not quite) one of them. The formula 'Thanks to the work (or care, or wisdom) of comrade Stalin' has been replaced by another one: 'Thanks to the collective wisdom of the Party'. Instead of being 'The first disciple of Lenin' Stalin becomes just 'one of his nearest companions', as *Pravda* put it in the article on the first anniversary of his death. The figure of Lenin is brought conspicuously to the fore in order to provide the necessary corrective to the perspective. The same number of *Pravda* says that after Lenin's death 'his cause found its further development in the works of J. V. Stalin *and other successors and continuators of Lenin's teachings*'.

Many commentators have assumed that the 'Back to Lenin' line expresses a genuine political trend in that direction, whereas the purpose of this manipulation of historical symbols is quite different. It is a manifestation and a function of the uneasy balance of power within the ruling group.

cond necessity which they faced after Stalin's death was to maintain a basis of authority for the regime. This stressing the continuity of and claiming a share in the ents of Stalin's era, such as industrialization, a victorious the enhanced international position of the U.S.S.R. e desirability of keeping the Stalin legend alive. Time and relaxation of some of the most obnoxious features of the regime were required to consolidate the position of the ority. The new propaganda line faithfully reflected the ecessities, particularly in respect to the Stalin myth which ed according to the cloth at the disposal of his successors, l not afford to cut it too big without themselves appearing uous, or too small without undermining their own y.

too easily forgotten that the present Presidium derives rom the authentic Stalinist faction, formed at the time outcome of the struggle for power was still in question. tain attitudes deeply ingrained.

e the rash conclusions of the 'theory of the withering talin' borne out by the attitude of the Soviet, satellite, and ress on the anniversary of his death. All the newspapers dicals on and after 5 March devoted their columns to iemoration of Stalin. It is instructive to observe that the estraint in *Pravda* is relaxed when it comes to satellite iese publications. In these countries the problem of ompetition with the deceased is not present, so that the n afford (and perhaps desire) to be much more lavish in ex-Big Brother and in using laudatory phrases without . Properly enough, *Pravda* printed a picture of Stalin on age, together with a special editorial and a commemora- e by Alexandrov. But its guarded ceremonials contrast effusions of the Chinese Communists. In the address by Chou Yun of the C.C. of the Chinese C.P. at the ommemoration meeting in Peking (*People's China*, 1954) we come across the familiar phrases, 'The sacred talin', 'The beloved teacher', and so on. Chou also ended 1 with the old formula: 'Eternal glory to Stalin, great to the cause of Lenin.'

tellite press, being a subordinate department in the of Truth and not an equivalent organization of the same pursued a line which in effect fell somewhere in between

the Soviet and the Chinese. It was less restrained than the former in extolling the attributes of Stalin but more inhibited than the latter.

The Chinese Communists have shown distinctly greater enthusiasm for the canonization of Stalin after his death than during his lifetime. In this their attitude was just the reverse of the Russian. During Stalin's lifetime a parallel cult for Mao was established in China. Homage was paid to Stalin in the Chinese press, but in moderate doses. This jealous reticence was obviously dictated by considerations of prestige-rivalry. In 'Stalin and the Chinese Revolution (*China Digest*, January 1950) Chen Po-ta explains that as Stalin's theorizings on Chinese developments were not available to the Communist leaders until about 1942 'there were many comrades in our party who were actually leading the Chinese revolution but who had no opportunity of making a systematic study of Stalin's many works on China. Comrade Mao Tse-tung was one of them. . . . Despite this, Comrade Mao Tse-tung was able to reach the same conclusion as Stalin on many fundamental problems through his independent thinking'.

Once Stalin had safely reached eternity, the Chinese press adopted another variant in the re-writing of history. *People's Daily* of Peking rushed to assure its readers in Stalin's obituary that he had given 'most brilliant guidance on the varied problems of the character of the Chinese revolution and its strategy and tactics', a fantastic statement to anybody familiar with the history of Stalin's relations with the Chinese Communist movement. The same warm note continued unabated even when Stalin's legend was at its lowest ebb in Soviet publications. Whether Stalin's prestige is played down or up, the falsification of his role is retained. The face of Clio is still undergoing a constant operation, and Mnemosine, the Goddess of Memory, can hardly recognize her daughter. One recent example of how it is done may be quoted.

In Volume VI of Sir Winston Churchill's memoirs there is an account of a talk with Stalin during his Moscow visit in 1944. Sir Winston asked his partner: 'So far as Britain and Russia are concerned, how would it do for you to have ninety per cent predominance in Rumania, for us to have ninety per cent of the say in Greece, and go fifty-fifty about Yugoslavia?' Then he wrote these percentages on a half-sheet of paper. Afterwards, in Sir Winston's words: 'I pushed this across to Stalin who had by then heard the translation. There was a slight pause. Then he took his blue pencil

e a large tick upon it, and passed it back to us. It was all
no more time that it takes to set down.' It is interesting to
he incident is reported under the rule of the Ministry of
'he Polish weekly *Przekroj* is indignant. In its 7 March
ıber it writes in an article called 'An Offer Refused' about
r, which shows the complete abyss dividing bourgeois
y from Soviet diplomacy'. It then quotes the relevant
rom Churchill's memoirs but with a slight difference: it
n say not that Stalin made a large tick, but that he 'drew
ıe across the sheet'. By this simple substitution the offer
l out, the acceptance becomes a refusal, and this makes
ı sermon to the Polish Winston Smiths: 'This was the
ke showing the Western diplomats that the Soviet Union
ırtner in the kind of deals to which they are accustomed.'
:akness of the principle of collective leadership within an
-ian and strictly hierarchical structure of power is prob-
e obvious to the members of the ruling group in the
than to anybody else. The void created in the Soviet
symbols cannot be easily filled. The myth of the actually
fallible, all-wise leader served to reassure all those who
ılexed by all the inexplicable vagaries of policy.
llegiate principle is a poor substitute for personal faith.
nothing infallible about committees, which may hold
opinions and generate them outside. The College of
without the Pope is not infallible in matters of dogma.
gical needs are satisfied neither by opening avenues for
ıor by the transference of faith to a supreme symbol. The
quilibrium within the *ecclesia militans* seems therefore
s. The Ministry of Truth may stifle criticism, but it
radicate the tension arising from the maladjustment
he structure of power and the system of symbols.

L. L.

Towards an Atlantic Union

Jnited Nations be reformed? The question is today over-
by the more urgent issues arising from the unresolved
ı south-east Asia, but it is likely to become important

and controversial next year, when the statutory trial period envisaged by the Charter has run out. Moreover, there is a close connection between the Asian upheaval and the preliminary legal skirmishes around the issue of Charter revision. In 1955 the United Nations will in theory be authorized to modify its own original constitution, if the necessary majority can be got together. But it is more than likely that the real issue will be whether the organization is at long last to become truly universal, as the framers of the Charter undoubtedly intended it should be. And this raises the awkward question of seating the effective Government of China, plus some twenty other claimants. Already we are told on the authority of some mid-Western Senators that sooner than permit this, the United States will abandon its own brain-child. These threats need not be taken very seriously; but if the U.N. is to approximate more closely to the creation envisaged at San Francisco in 1945 the Western world will have to find other means of establishing a common consciousness. In the long run the U.N. must become a genuine world organization housing the two opposed *blocs* and their satellites, as well as the neutrals. Where does that leave those of us who believe that effective international institutions are a practical necessity?

Let us first of all limit the subject. When one speaks of the United Nations' failure to live up to the expectations held in 1945, one may have two rather different issues in mind. If one chooses to adopt the utopian viewpoint popular at the time of its inception, one may deplore the fact that the Security Council has not functioned as a rudimentary world government. If one is content with a more modest interpretation of the aims underlying the Charter one may yet feel that its basic purpose has been stultified, in that it has quite failed to impose any kind of restraint upon the Soviet *bloc*. This failure is of course due to the gap between the facts of international life and the arrangements made at San Francisco. Specifically, the Charter provided for effective control of the United Nations Organization by the Security Council, while it gave the directing position on that body to five permanent members—the United States, the Soviet Union, China, Britain, and France—who, it was hoped, would take all decisions in common and make use of the veto only in extreme cases. What has in fact happened is reflected in the number of meetings held by the Security Council since its inception: in 1946: 88; in 1947: 137; in 1948: 168; in 1949: 62; in 1950: 73; in 1951: 39; in 1952: 42;

during the first seven months of 1953 only seven sessions were held, and all were concerned with one subject only, namely the nomination of a new Secretary-General.[1]

While the Security Council thus reduced its activity almost to vanishing point, the importance of the General Assembly steadily increased. From mid-1948, and more emphatically from mid-1951, it began to usurp the functions of the Council, notwithstanding the clear provisions of the Charter (Art. 12) which substantially gave the Council control over the Assembly's activities. A growing number of cases deadlocked in the Council were removed to the Assembly by simple majority vote, the assumption being that removal is a procedural matter not requiring the unanimous vote of all the permanent members, and consequently not subject to the veto. By giving a liberal interpretation to its right under Art. 12 to make recommendations, the Assembly—or rather its permanent majority, from which the Soviet *bloc* is effectively excluded—gradually assigned to itself functions never contemplated by the signatories at San Francisco. This became very clear when the 1950 session of the Assembly passed the 'Uniting for Peace' resolution establishing a 'Collective Measures Committee' with broad advisory functions for the maintenance of peace—a function reserved by the Charter (Art. 24) to the Council. In all these cases it could be claimed that the Assembly was simply carrying out work which the Security Council was temporarily unable to perform, and this of course was the construction placed upon these innovations by the majority. None the less the Soviet delegate was not far off the mark when, in a debate on the 'Uniting for Peace' resolution in March 1953, he declared that the purpose of the 'Collective Measures Committee' was to by-pass the Council and to found the effective work of the United Nations upon an *ad hoc* organization supported by the permanent majority in the Assembly of which the Western nations are the hard core.

In some quarters this evolution has been hailed as an admirable way of bringing the United Nations into conformity with the real power relationships in the outside world. There is of course some net tactical gain in a situation in which the United States and its associates can normally control a safe two-thirds majority in the Assembly and thus turn the United Nations into a legal cover for what has sometimes been described as a grand alliance directed

[1] See Professor Hans J. Morgenthau, in *Review of Politics*, Notre Dame University, Indiana, January 1954

against the Soviet *bloc*, while conserving all or most of the advantages of the Charter's universalist phraseology. There are, however, limits to this process. The nineteen Western nations—the U.S.A., Western Europe, and the 'white' British Commonwealth members —who form the effective core of the Assembly's active two-thirds majority are unable to carry a decision without the support of others: principally the twenty Latin American Republics and some of the Asian and Middle Eastern States. There is always the chance that some of these allies will retire into neutralism or even join the other side. This, of course, imposes a useful restraint upon the more reckless tendencies in Western policy-making, and there is some ground for thinking that Washington has benefited from the need to win the moral approval of the two-thirds majority required for most Assembly resolutions. It may be assumed that for defensive purposes this mechanism for bringing the 'grand alliance' into conformity with the moral sentiment of Asia and Latin America will continue to function as well or ill as it did during the Korean war. What such a system can never provide is effective world government. The best that can be hoped from it is that it will enable East and West to go on dwelling under the leaky roof of the Charter until such time as the Soviet *bloc* may get tired of being permanently outvoted and placed in the dock—or until China succeeds in forcing her way in. For although this would not alter the new relationship between Council and Assembly there might well develop an unbearable degree of tension if the two bodies drifted too far apart. There are also, apart from China, some twenty other claimants, some of them Soviet satellites, whose collective admission would seriously upset the working of the new Assembly majority. Yet it seems inevitable that they will all have to be admitted—after all, what else is the United Nations for?

It is sometimes suggested that such a mass admission of new members might go hand in hand with a revision of the Charter designed to eliminate or circumvent the veto. But revision is an extremely complicated process. Under Art. 109 the calling of a General Conference to revise the Charter is itself subject to the veto. Assuming that the Conference is called and that it passes the necessary revisions by a two-thirds majority, these would then have to be ratified by all the permanent members of the Council—in other words, they would once more be subject to the Soviet veto. It is difficult to see how in these circumstances any substantial revision is to be effected. It is not even certain that the

of the veto would be favoured by the United States
er Western Powers—at San Francisco they showed
lmost as anxious as the Soviet Union to obtain safe-
ist being outvoted by a hostile majority. The veto,
nply acknowledges the indisputable facts of inter-
Lastly, a radical revision of the Charter—assuming
to be possible—could only have the effect of driving
loc out of the United Nations. One need not assume
ıld necessarily be the signal for war; it is quite suffici-
ould effectively end all East-West intercourse and inci-
ive the 'grand alliance' of its moral sanction. All told,
y wiser to leave the Charter as it is, and make the
ons as nearly universal as possible. That of course
lmission of any Government which can claim effective
tever its political colour. A minor gain from such an
ould be a sharp diminution in official make-believe
peculiar moralistic rhetoric which goes with it—a
h has few friends outside the United States.
he establishment of effective international governing
oes, this leaves us exactly where we were before the
signed. In the circumstances it seems reasonable to
he time has not come to turn the Atlantic Community
n into a reality. There was, after all, an 'Atlantic
ied by the United States and Britain before the San
arter was thought of. Since it is now generally agreed
l West can perhaps live, but certainly not work, to-
n one supra-national body, it might be advisable to
ı start, using the existing Atlantic institutions as a
ds something more durable, and perhaps gradually
r nations into the fold if they are willing to co-operate.
ome a truism to say that Western Europe and North
dependent upon one another. It is less generally
at this mutual dependence has already given rise to
itutions which transcend the old national framework.
rters the North Atlantic Treaty Organization is still
ugh it were an alliance of the traditional type. In fact
anent organization for planning the defence of its
nd this planning now extends to economic and

ical order, Belgium, Canada, Denmark, France, Iceland, Italy,
ıe Netherlands, Norway, Portugal, the United Kingdom and
ıd, the United States, and—since the additional protocol of
-Greece and Turkey as well. Nor is there anything in the basic

financial functions, as well as to political and military ones. The executive body of N.A.T.O., the North Atlantic Council, unites the Foreign, Defence, and Finance Ministers of fourteen nations who have become accustomed to meet regularly for the purpose of taking joint decisions on defence—a very elastic concept. Its planning body, the Permanent Organization, with its international secretariat and national Ambassadors sitting in continuous session in Paris, has been compared to an international civil service. Its military arm—S.H.A.P.E.—has a supra-national character and is ultimately responsible to the Atlantic Council. Although N.A.T.O.'s internal structure is exceedingly complex—one recalls the remark frequently heard in its early days that if the Russians ever did march they would have to fight their way through a dense jungle of committees—its basic character is not at all difficult to define: it is the nucleus of a potential government for the whole of the Atlantic Community. About the only thing it lacks to become effective is a soul—in other words, a political purpose.

This truth has been perceived for some time, and some of the highest authorities have been in the van of the reform movement In an open letter to the American people of 22 November 1951 General Marshall and three former Under-Secretaries of State (Mr Will Clayton, Mr Joseph Grew, and Mr William Phillipps) proposed that the Supreme Commander—at that time General Eisenhower—should be made responsible for political decisions to a single authority; that a single Atlantic agency should formulate and execute the foreign policy of the Atlantic Community; and that the Community's economic policies should be similarly co-ordinated.[1] A few days later, on 28 November, a Ministerial committee under the chairmanship of Canada's Foreign Minister, Mr Lester Pearson, presented a somewhat less ambitious report which emphasized N.A.T.O.'s primary responsibility for defence and poured cold water on the idea of 'rapid or spectacular achievements' in the political field.[2] Although Britain was not represented on the committee, the report's tenor unmistakably reflected Whitehall's well-known preference for 'functional co-operation'. Yet even this cautious document contained the significant words: 'The enduring

---

instrument, the North Atlantic Treaty of 4 April 1949, which restricts membership of N.A.T.O. to countries bordering on the Atlantic Ocean, as indeed the inclusion of Greece and Turkey has shown. See *Atlantic Alliance*, Royal Institute of International Affairs, London, 1952.

[1] *Atlantic Alliance*, p. 97.

[2] ibid., p. 100.

nature of the North Atlantic Community must rest on something broader and deeper than military co-operation alone.' It does not require much knowledge of official secrets to understand why that 'something' has not so far materialized: the Atlantic Community cannot be placed on a democratic basis without at the same time acquiring a political character transcending the national consciousness of its constituents, and this prospect is unwelcome to other Governments beside the British. It is indeed highly probable that in any real emergency the governing body of the Community would delegate effective power to the American President, the British and French Prime Ministers, and possibly the Canadian Prime Minister to make a fourth; and doubtless in the last resort the American President would normally be able to carry his colleagues with him in any major decision affecting the interests of the whole community. But the vision of such a group sitting in permanence and taking decisions over the entire range of political, military, and economic problems is at variance with the accustomed picture of national States conferring for limited purposes and guarding their freedom of action. It is significant that there exists as yet no popular pressure for such a step forward—not even in the United States, where there need be no fear of a supra-national body overriding vital American interests.

This hesitation is scarcely surprising. Public interest—it would be excessive to speak of confidence or enthusiasm—at first centred on the United Nations, and although faith in its ability to preserve world peace has declined since the halcyon days of 1945, a certain stigma still attaches to anything that falls short of universalism. Although the North Atlantic Treaty pays tribute to the sanctity of the Charter by quoting its Article 51, which upholds 'the inherent right of individual or collective self-defence', it makes no reference to the part of Article 53 which deals with 'enforcement action' by 'regional arrangements'. Thus the link between the Charter and the Treaty is extremely tenuous, and, short of reconstructing the United Nations so as to turn it openly into a defensive organization of the Western world against the Soviet *bloc*, there is no remedy for this fault. An Atlantic Union will have to stand on its own merits, and clearly the best way to enhance its moral authority is to fit it out with properly elected organs representing the Governments and Parliaments of its member States, somewhat on the model of the present Council of Europe.

It goes without saying that, whatever its eventual political

structure, the effective power of the Atlantic Community must for a long time to come rest upon that of the United States. In this sense the Community might be described as the political aspect of the Pax Americana. This is so not merely because the United States at present produces about 40 per cent of the world's manufactures and has an overwhelming preponderance in those lines of production which determine the fate of nations in modern war. There is the further fact that its economy is by far the most dynamic, and that, together with Canada, it obviously constitutes the main reservoir of economic strength on which the rest of our world depends. Moreover, it is comparatively well protected, even under modern conditions, against the immediate impact of war and can reasonably hope to survive even an atomic holocaust. Lastly, it is able to intervene directly in Asia, being a Power with two continental frontiers, while its size, as well as its geographical location, predisposes it towards all those forms of modern air transport which are the effective basis of similar activities in war-time. Compared with it, the European nation-State simply lacks the size, let alone the strength, to sustain the shock of modern war or to build a peace-time economy adapted to mass-production. If Western Europe and North Africa could be integrated into one political, economic, and strategic whole there might be something of comparable weight in the contemporary world. But even a Eurafrican *bloc* would be dependent for a long time to come on American financial aid, to say nothing of the immediate military protection now increasingly afforded by U.S. air bases in France, Spain, North Africa, and elsewhere The 'Atlantic Union' concept thus represents a sharply defined advance beyond the notion of a Western Europe vaguely associated with the United States, an advance which acknowledges the westward shift in the centre of gravity that has taken place since the first World War. By recognizing both this shift and the growing interdependence of North America and Western Europe it might succeed in overcoming the intra-European problems arising from the long-standing tradition of exclusive loyalty to the sovereign nation-State. For whatever the solution of its current problems—federal, confederal, or plainly national and traditional—Western Europe as a whole would form part of a greater Atlantic grouping; and the real issue would be not European but Atlantic confederation—meaning an arrangement whereby all the Atlantic countries, from the United States to Iceland, would set up common institutions and, to some extent, pool their sovereignties. Such a larger whole, one can safely

he experience of the past ten years, must make provision
ral authority strong enough to take binding decisions in
of defence, foreign affairs, and economics. Nothing less
r nothing less will stop the drift towards nationalism and
which has latterly become so marked both in Europe and
a.
rth considering the stages by which political thinking has
gradually moved towards this conclusion. The immedi-
ar atmosphere was characterized by a mixture of heady
bout things in general and cold-blooded practicality, if
right word, in settling particular problems. Thus in 1945
ely assumed that atomic energy would be used only for
urposes, and it was also assumed that the best way to in-
he new age was to unload the first two atomic bombs on
cities in Japan; much as the laborious drafting of a
Human Rights was accompanied by the mass expulsion
ions from their homes. In the international domain proper
l Nations was simultaneously equipped with 'teeth' and
o which registered its uselessness for the settlement of
flicts between the great Powers, unless a travesty was
e Charter. Lastly, an utterly meaningless distinction be-
ce-loving' nations and aggressor States bent on war was
ito a succession of documents defining the rights and
overeign States, the functions of the new international
. It is scarcely surprising that ten years later it is still
to agree on the inclusion of Portugal in the United
hat China is now represented by a non-existent Govern-
hat most people have ceased to take the proceedings at
ess seriously.
action has not so far swung to the other extreme of re-
'pure' power-politics and old-fashioned alliances, the
hat in the kind of world we live in these traditional
annot now be made to work. Apart from the fact that all
arrangements are now dwarfed by the antagonism be-
wo great Powers, there is the steady pull towards inter-
rms of organization, a pull which even the absurdities
l during and since the drafting of the United Nations
ve been unable to discredit. If it is not exactly true to say
orld is steadily becoming more united—the constant
the utopian period just after the war—it is at least true
is increasingly less scope for the kind of free-for-all

which was practised right up to 1914. Even the United States cannot act without regard for the interests and wishes of its associates in Latin America, Europe, the Middle East, and the Far East—where Japan has suddenly become an important bridgehead of 'Western' civilization. There is, however, a constant danger that American policy will in practice override these wishes and interests, until brought up short by some disaster or by the danger of a permanent loss of influence. This nearly happened at one point during the Korean war, and the thought that it may happen again is a constant nightmare of European and Asian statesmanship. It is no consolation to say that in the long run such mistakes will be rectified; the process of trial and error through which the United States may have to pass before qualifying for leadership of the non-Communist world could prove extremely costly to its associates. It might conceivably entail disasters from which they would not recover, though from the American viewpoint these would be no more than incidents on the road to maturity as a world Power.

Apart from the constant possibility of serious damage to the property of the weaker members of the association, there is the problem which American leadership presents to medium-sized Powers like Britain, France, Federal Germany or Japan who can normally be trusted to look after themselves and are not without means of making their displeasure felt if their interests or their *amour-propre* are too patently disregarded. Relations between these countries and the United States have gone through a number of phases since the war, but on balance American influence may be said to have declined *pari passu* with the growth of American power—an odd paradox which is not simply due, as some Americans seem to think, to European and Asian fear of a third war. It is not just that there is at the moment little confidence in American leadership: there will never be much confidence as long as it is felt that Washington acts from nothing better than enlightened national self-interest. Hiroshima, it has been said, 'scared hell out of America's allies' It did more: it convinced them that the Pax Americana is tolerable only if America agrees to surrender some of her sovereignty to a supra-national body on which her allies have a voice.

The usual argument against such proposals is that they are unrealistic, since great Powers cannot be expected to surrender their freedom of action to organizations in which minor nations have equal voting rights. It is interesting to note that this reasoning is put

'realists' who see nothing wrong with the Charter of the
ions. Presumably it is felt that equality of voting rights
ccess does not matter a great deal in present circum-
Atlantic Council empowered to take binding decisions—
ilitary, and economic—for the Western world would
it affair. It would, for example, oblige the United States
ith the formal consent of its allies in drawing up treaties,
litary bases, carrying out atomic tests, or stock-piling
ls, and generally behave less like a super-empire and
e leader of a group of nations forming a community. On
merica's associates would have to exercise their voting
due regard to the overriding importance of American
Is such an arrangement impossible? Not if there is the
it work. If it were objected that it is unrealistic to give
States and Iceland equal voting rights on the executive
Western world, the answer would have to be that it is
such formal devices that overwhelming disparities in
ight are regulated in civilized society. They are not
celled: it hardly requires proof that no legal provision
e remainder of the Western world less dependent on
eadership and support. What such an arrangement
s on another plane. Primarily, it would give America's
guarantee against a further extension of the growing
Washington to set up regional systems, co-ordinate
top in accordance with purely American interests and
ons, and treat the allies as expendable factors in a po-
world war which most Europeans regard as inevitable
a system If this tendency prevails one can predict with
it it will be paralleled by a rapid growth of neutralism,
he end the United States will find itself in a condition
lation culminating in actual political divorce from its
ciates.

nme of this kind differs markedly from the post-1945
which combined universalist paper schemes with
nal planning for defence. Hitherto the only attempt to
ap has been the illogical intervention of the United
ne 'side' in the Korea war—an expedient rendered pos-
Soviet Government's failure to exercise its veto power,
, by an accident. Even if the Charter were amended so
ich intervention regularly possible in future against the
of one of the permanent members on the Security

Council—and nothing is less likely—it would still be necessary to set up self-governing institutions for the Atlantic world, and possibly for that part of the Pacific world which is not under Communist rule. But in fact the tendency is for the United Nations to become that genuinely all-embracing, and consequently non-political, world community which its founders undoubtedly had in mind when they drafted the Charter. There is a danger that when this happens—to be specific, when China is at last represented by its Government, and not by a handful of emigrants on Formosa—American public opinion will turn away in disgust from all international organizations and adopt a belligerent chauvinism which in turn will lend wings to neutralist sentiment in Europe and Asia. One way to prevent this development is to set up international bodies not crippled from the start by incurable weaknesses. It is the special curse of the post-war world that the utopianism of the peace-makers has driven it into an unreal choice between an empty universalism and a purely military regionalism unsupported by any wider considerations, indifferent to public support, and not based on genuine political or economic foundations: a choice between U.N.O. and N.A.T.O.

The solution lies midway between these extremes. Once the Atlantic Union takes shape at the political level, the military factor will fall into place, and so will N.A.T.O., which at present tries to fill a role for which it is not fitted. 'Functional co-operation' has had its day, and so has the pretence that Western Europe is full of great Powers able and willing to co-operate on an equal footing with the United States. There is little point in contrasting the Atlantic Community and the Pax Americana; they are two sides of the same reality. If Americans enjoy this manifestation of their country's present hegemony they are welcome to feel flattered, provided they also bear in mind that without an effective Atlantic Union there can be no Pax.

G. L. A

PRINTED IN GREAT BRITAIN AT THE BROADWATER PRESS, WELWYN GARDEN CITY, HERTFORDSHIRE

THE WORLD TODAY

Volume 10 *No.* 8 *August* 1954

*

Notes of the Month

ition of German Sovereignty

isions reached in Geneva on 20 July give added point to
Minister's statement in the House of Commons on 14
E.D.C. is not ratified by the French Assembly before
the present session in August then, in the view of the
United States Governments, the next step must be to
the Bonn Conventions in simultaneity from the passing
C. Treaty, and if possible this should be done by agree-
-en the four Powers which signed those Conventions'.[1]
ill spoke of restoring to Germany 'her liberties under
onventions (which) would entail a deferment of German
t for the time being with the necessary provision for the
inancial support for the Allied forces in Germany dur-
od'. The Prime Minister said that he would not attempt
asion to forecast what arrangements would be needed
he agreement of Germany to confine the use of her
vereign rights within standard limits of safety com-
hat which has been effected by E.D.C.'. The French
it had been informed of the intention of the British
States Governments to proceed along the lines he had
nd he added in response to a question: 'We are showing
ce at all and are giving every opportunity to the French,
gnize that we have to be fair to the Germans.'
ne Minister's speech showed as much by its apparent
cision as by its positive statements the difficulties and
iherent in separating the treaties and making other
ts to replace in some form or other satisfactory plans
i rearmament within E.D.C. should French failure to
this necessary. It is perhaps not without significance

ch attitude to E.D.C. is discussed in detail elsewhere in this issue—
.326–39.

in this connexion that one German paper quoted a British source in Bonn as stating the possibility that the separation between the treaties need not be final: 'If France were to ratify E.D.C. within a reasonable period, the connection between the two treaties could be restored. . . .'[1]

In Germany the British Prime Minister's statement that it was now time to 'play fair' and grant sovereignty to the Federal Republic was naturally welcomed, though one leader-writer at least put the word sovereignty in inverted commas.[2] It was pointed out in the German press that Germany will at last have sovereign rights in law-making and in the conduct of her own foreign relations and will once more be able to organize her civil aviation; but, lurking in the background, is *Wehrhoheit*—the right of national self-defence. Another paper asked whether Germany could be denied the right of *Wehrhoheit* once she is a sovereign State, and if so, then for how long? This interest in measures to be taken if France fails to ratify the E.D.C. does not, of course, mean that the German Chancellor and his supporters have changed their minds on the importance of E.D.C. In a radio interview of 2 July Dr Adenauer said that the splendid thing about E.D.C. was that it replaced the old and outdated system of national armies by genuine military fusion under a supranational authority; but in the unlikely event of France rejecting E.D.C. there would be no way out but a German national army. The Germans do not want a national army, but not, the Chancellor pointed out, because they believed, as did so many others, that it would necessarily lead to German militarism. On the other hand, in the 'historically and politically absurd eventuality' that the Germans might be compelled by a French rejection of E.D.C. to raise a national army, 'we shall certainly reject any attempt to make us agree to any sort of rearmament under unworthy conditions such as a German army placed under a kind of tutelage'. The Chancellor appears, however, to have himself since suggested a compromise by which, if the French Government were to ratify E.D.C. as it stands in the near future, modifications might then immediately be agreed between the signatories.[3]

The achievement of peace in Indo-China a week after Mr Churchill's House of Commons statement may yet prove, ironically

[1] *Süddeutsche Zeitung*, 16 July 1954.
[2] *Deutsche Kommentare*, 10 and 17 July 1954.
[3] *ibid.*, 10 July 1954.

have increased rather than lessened the anxieties of Dr
nd his Government. The leader of the Opposition, Herr
, speaking at the Congress of the Social Democratic
rlin on 21 July once more rejected E.D.C. and accepted
ty of Germany's co-operating in defence duties should
arise in which, despite all efforts at negotiation, there
a hardening and extreme deterioration in the world
mplying serious danger 'to us all' and in particular to
t he also emphasized the perfectly clear German in-
lding open the possibility of further negotiations about
unification. On the other hand, a German newspaper
o supporter of the S.D.P. believes that what it calls the
interregnum which in its view the French Premier,
s-France, would like to achieve in the interest of French
ould provide the Soviet Union with the opportunity for
s initiative.[1] Thus, while most of Dr Adenauer's sup-
l agree with him that E.D.C. is the best policy for
l offers the best chance of achieving the reunification of
not all of them pretend today to be as hopeful of the
of this policy as is the Chancellor. In the present com-
nclear European situation one fact seems to emerge:
s not ratified in its present form by France next month,
tive processes which Mr Churchill described as re-
ie to arrange may be overtaken by events.

s of Geneva

l be unwise to view the results of the Geneva Conference
g but a resounding success for the Communists. They
ved four things: they have extended the area of their
control with the prospect that all of Vietnam will fall
i due course; they have forced a Western Power to
s non-Communist allies, an action which will not pass
in neighbouring countries; they have managed to pre-
.ep forward on their part as evidence of their love of
use they have not insisted on taking two steps forward
d they have created some coolness between the United
her Western European allies. To attempt to gloss over
facts would be to lose the opportunity of learning from

ndation of the Communist success lay in the failure of

16 July 1954.

France to follow a realistic or even a consistent policy in Indo-China. Since 1945 there have been two views in France, apart from the Communists', on the issue of Indo-China—those who did not wish France to spend any effort on the country and wished to negotiate with Ho Chi Minh as the simplest way of ridding France of this unwanted burden or because they regarded him as the genuine representative of Vietnamese nationalism, and those who wished to maintain all the pre-war French powers and interests unimpaired. In the event an attempt was made to hold on to Indo-China, but without the unity of support at home which alone might have made such a policy feasible. As it was France, and Indo-China, had the worst of both worlds. Concessions to nationalism were made, but always too late and too grudgingly to be effective, reinforcements were sent but they were always too late to have a chance of being sufficient. The result was a long-drawn-out and costly war, and in the end the desire in France to be rid of the burden of Indo-China became overwhelming, with the result we have seen. It is to be hoped that 'too little and too late' will not again be allowed to be the epitaph of a colonial regime and that the lesson of Indo-China will not be lost on those who bear the responsibility for Malaya—and Africa.

Another lesson is the unwisdom of presenting one's opponents with the gratuitous opportunity of depicting one as a 'paper tiger' The United States roared loudly about the need to hold Indo-China and its strategic importance and about American determination to see that it was not lost, but was in the end not willing to take the one practical step, that of putting in American troops, which, if the ground had been properly prepared, which it was not, might possibly have prevented the debacle. It has however to be said for the United States that though it clearly disliked the proposed solution it did nothing to prevent it, indeed Mr Bedell Smith's statement of 18 July was positively helpful. What a relief to the world it would be if a case occurred of Russia failing to oppose with all its resources any policy of which it disapproved, or of a Communist State putting forward such a policy. But of course a satellite is more malleable if less valuable than an ally.

The third lesson is that if the West wishes to resist Communism in South-East Asia it must choose an issue which the people of South and South-East Asia themselves regard as important. Despite Mr Chou's visits, some at least of the Governments of the area and perhaps of the peoples too have undoubtedly been alarmed

by the Communist advance. It is they, after all, and not the Western Powers who are most directly threatened. It may be that the territorial integrity of Laos, Cambodia, Siam, and Burma might be such an issue. But in the first three countries there are Vietnamese minorities which could be used for internal disruption, and in Burma there are Communists already under arms. Internal subversion would therefore, if at all possible, be chosen as a method of advance rather than invasion. Military support in such circumstances is not the less important, but economic support becomes vital. It is to be hoped that a really effective effort will therefore now be made to strengthen the ability of countries like Burma to resist Communism, internal as well as external.

The results of the Geneva Conference have one bright aspect. They provide a breathing space which might be prolonged if, as is possible, China is anxious for a temporary easing of tension in order to encourage divisions in the non-Communist world or to secure industrial equipment from the West. It is essential that this pause should be used by the West to achieve a considered and united policy concerning South-East Asia which merits the support of the people of the area.

The European Defence Community

Problems of Ratification

THE Treaty establishing a European Defence Community w signed by the Governments of France, Western Germany, Ital the Netherlands, Belgium, and Luxembourg in Paris on 27 M 1952.[1] It has since been ratified by the Parliaments of four cou tries: Western Germany (*Bundestag*: 224 votes to 165, 19 Mar 1953);[2] the Netherlands (75 votes to 11, on 23 July 1953); Belgiu (148 votes to 49, 26 November 1953); and Luxembourg (46 vot to 4, 7 April 1954). On 6 April 1954 the Italian Prime Ministe Signor Scelba, introduced the E.D.C. Bill to Parliament. He d not however give it the status of an urgent measure, and in tl light of subsequent events it seems improbable that the Itali Parliament will be asked to decide upon the E.D.C. until a vo has been taken on the treaty in France. In spite of earlier sem official suggestions that an Italian majority for the treaty might l conditional upon a satisfactory solution of Italy's dispute wi Yugoslavia over Trieste, the Italian Foreign Minister has stat (e.g. on 9 July 1954) that the two questions need not be link together; and it seems probable that the Bill will be passed l the Italian Parliament in due course.

The obstacles to the birth of the E.D.C. lie where they ha always lain, in the acute division of the French nation over tl treaty. The notion of a European Defence Community is of Fren origin, but it sprang from the embarrassment of M. Pléven Government when in September 1950 the United States Secreta of State, Mr Dean Acheson, insisted on a German military cont bution to the defence of Western Europe In the measure, howev that the Soviet military threat has lessened or appeared to less since, French opinion has been inclined—at least in Parisi political circles—to shy away from both German rearmament ar the specific form of it which is the E.D.C.

The period between Sir Winston Churchill's famous speech 11 May 1953, when the British Prime Minister advocated

[1] See 'The European Defence Community', in *The World Today*, June 19 The E.D.C. was defined in the treaty as a community 'of supra-national chara ter, with common institutions, common armed forces, and a common budge Text in *The European Defence Community* (H.M.S.O., Cmd. 9127, Misc. No. of 1954).

[2] A vote of 23 votes to 15 signified the *Bundesrat's* approval on 15 May 19

'Locarno' policy involving an attitude of extreme patience towards the Soviet Union, and the West German elections in September of the same year may be regarded as a period of French 'wait-and-see'.

The convincing victory of Dr Adenauer in September re-affirmed the Federal Republic's solidarity with the Western Powers and its determination to contribute to its own and Europe's defence. Nor by the autumn of 1953 had the United States Government shown any inclination to change its policy of rearming Western Germany—not at France's earliest convenience, but immediately. At the same time the Benelux countries, even more than Germany, took up the running in their insistence on a European political community. This pre-federal structure, whose draft Constitution had been prepared by an *ad hoc* assembly of the six Powers by March 1953, would comprise both E.D.C. and the European Coal and Steel Community (E.C.S.C.).[1] In these circumstances it was becoming more and more difficult for the French Government to delay the introduction of the E.D.C. Bill to Parliament. Throughout the year M. Georges Bidault, who had succeeded the more 'European' M. Robert Schuman as Foreign Minister, had been trying to obtain far-reaching commitments from Great Britain in the matter of keeping British troops on the European Continent. Failing British membership of the E.D.C., which for a long time French Socialists made a condition of their own support of the Community, the French Government wished to ensure that there should be no British military withdrawal or reduction of forces. The disparity between the E.D.C.'s fifty-year duration and the twenty-year life of the North Atlantic Treaty was especially discouraging to French deputies who had similar doubts about the continued presence of American forces.

Already, when the E.D.C. Treaty was signed by the plenipotentiaries of the six Powers in 1952, the British Government had entered simultaneously into a treaty with them. This treaty provided that, as long as Great Britain was a party to the North Atlantic Treaty, she would afford military aid to any one of the Six if it were the object of an armed attack in Europe. France thereby received a military guarantee[2] against a possible German

[1] See 'The Schuman Plan and the Council of Europe,' in *The World Today*, November 1952, and 'Little Europe and Britain', by Lord Layton, in *International Affairs*, July 1953.

[2] France was guaranteed in this respect by Britain twice already: in the Dunkirk Treaty of March 1947 and in the Brussels Treaty of March 1948.

attack. At the same time the fourteen parties to the North Atlanti Treaty signed a protocol stating that an armed attack on the terri tory of any of the members of the European Defence Communit in Europe or in the area described in Article 6[1] of the Nort Atlantic Treaty or on their forces, vessels, or aircraft in this are would be considered as an attack against all the parties to th North Atlantic Treaty within the meaning of Article 5[2] of tha treaty. Further, the U.S., British, and French Government signed a tripartite declaration of their abiding interest in th integrity of the E.D.C., stating that an action, from whateve quarter, which threatened that integrity would be regarded by ther as a threat to their own security. In the event of such a threat th three Governments would act in conformity with Article 4[3] of th North Atlantic Treaty.

This series of guarantees or assurances did not however satisf M. Bidault and other members of the French Government wh remained preoccupied with the possibility of a rearmed Germany' breaking out of the Community and attacking eastwards at a tim when Britain and America no longer had sufficient strength on th Continent to deter it. Speaking in the Conseil de la République i October 1953, M. Bidault said that France would not submit t foreign pressure but would ratify the E D C. Treaty of her ow sovereign decision and under certain conditions, namely: a solu tion of the Saar question, the agreement of her partners to certai additional protocols,[4] and the signature of yet another treat between Britain and the six members of the E.D.C. A fourt *condition préalable* was repeatedly demanded during 1953, especial ly by French Socialists: that there should be no European Arm until supranational political organs had been devised to control it.

[1] Article 6 defines the area as Europe, North America, the Algerian depart ments of France, and any islands administered by a Party situated north of th Tropic of Cancer.

[2] Article 5 requires mutual assistance, including armed force where necessar in the event of an attack upon a Party.

[3] Article 4 requires the Parties 'to consult together whenever, in the opinio of any of them, the territorial integrity, political independence, or security of an of the Parties is threatened'. Neither Great Britain nor the United States was therefore, obliged to apply military sanctions to Germany in the event c Germany's threatening or infringing the integrity of the European Defenc Community

[4] See below pp. 337–9

[5] By the spring of 1954 it had however become evident that France wa unwilling to agree to those economic clauses in the draft Constitution of European Community which some of her partners regarded as essential t their acceptance of the draft as a whole. It was therefore decided by the si Governments to defer negotiation on the Constitution until such time as th

December 1953 the Council of the North Atlantic Treaty ation met in Paris and was attended by Mr John Foster U.S. Secretary of State. Mr Dulles stated at a press con- that if the E.D.C. Treaty were not ratified soon, the United vould be forced to make an 'agonizing reappraisal' of its ategy, including possibly a regrouping of American forces pe. This warning of a possible 'peripheric' defence strategy eived with hostility in France, who once more showed her y to be paralysed rather than activated by foreign pressure. e middle of March 1954 the first of M. Bidault's conditions on the way to fulfilment. Germany and France, by adopt- van Naters plan for the Europeanization of the Saar as a negotiation, were well on the road to agreement. On 27 however, Marshal Alphonse Juin, Commander of the European Sector of S.H.A.P.E., made, without reference General Gruenther or to his other master the French nent, a speech saying that the additional protocols to the Treaty were now inadequate and that France must find ernative system. Marshal Juin's speech gave great impetus elements in France which had from the beginning resisted military integration with the other West European coun- he Marshal was at once supported by General de Gaulle, emonstration against MM. Laniel and Pléven took place ceremony at the tomb of the unknown warrior. Towards of April the Socialist M. Vincent Auriol, France's last it, was writing newspaper articles against the Treaty; and mbly's foreign affairs committee, of which the rapporteur, s Moch, is an antagonist not only of the E.D.C. but of rearmament itself, was asking the Government awkward is before a very divided Assembly.

ek after the demonstrations at the Arc de Triomphe M. s third *condition préalable*, a new treaty with Great Britain,

---

reaty had been ratified by all six Parliaments Since the spring of 1954 inion, which inclines to the view that the German danger would be rather than diminished by the greater transfer of sovereignty required ft Constitution, has ceased to invoke 'political controls' as a precondi- rench ratification of the E.D C The demand for political control om a distrust of semi-autonomous 'technocratic' bodies, of which the hority of the E C.S C. was instanced as an example by those who t the Board of Commissioners of the E D C. would prove to be an- nch opinion has shown itself on the whole more willing to risk 'tech- han to go further in the direction of a supranational executive and which could most effectively control the technical authorities. For a pinion see M. Jules Moch's recent book *Alerte*.

was also fulfilled.[1] This treaty[2] of British association with E.D.C. was signed in Paris on 13 April by Sir Christopher St British representative at N.A.T.O., and by the plenipotentia of the six countries on the E.D.C. interim committee. It had k been held up the British Government's sleeve to be released at moment judged most opportune for the canvassing of Frei parliamentary support. The treaty of association gave great sa faction in Bonn; but Paris was again divided, opponents of treaty voicing their suspicion that the Government was prejudg its ratification by entering into commitments with Britain with consulting Parliament. On 16 April President Eisenhower ser message[3] to the six countries members of E.D.C. giving und takings in regard to American action in Europe: the U.S.A. wo keep armed forces in Europe and 'contribute its fair share of forces needed for the joint defence of the North Atlantic area wl a threat to that area exists'; it would consult with its fellow sig tories of the North Atlantic Treaty and with E.D.C. about level of the respective armed forces of the E.D.C.; it would ir grate E.D.C. and N.A.T.O. forces as much as possible; it wo seek to share more military information with the other memb of the Atlantic Community; as to the E.D.C. itself, it wo regard 'any action, from whatever quarters, which threatens integrity or unity as a threat to the security of the United Stat finally, it regarded the North Atlantic Treaty as 'of indefir duration rather than for any definite number of years'.

This message was similar to the British agreement with E.D.C. countries, the British having also stated that they regar the duration of the North Atlantic Treaty as indefinite and wo consult their partners in the matter of the level of forces to maintained on the Continent by the respective nations. The Pr dent's undertaking had also the bi-partisan character of the Brit one in that it was supported by the party in opposition. T British agreement, combined with a statement of a comm military outlook and a declaration of the British Governme policy,[4] brought the United Kingdom as close to the six E.D Powers as any instrument could, other than an actual treaty

[1] See *The World Today*, May 1954, page 183.
[2] *Memorandum regarding United Kingdom Association with the Europ Defence Community, with Annexes*. H.M.S.O. Cmd. 9126 of 1954.
[3] *The Times*, 17 April 1954.
[4] 'Her Majesty's Government', the statement runs, 'have no intentior withdrawing from the Continent of Europe so long as the threat exists to security of Western Europe and of the European Defence Community.'

ıce to the E.D.C. The United States, by accepting the le of obligatory consultation with its allies members of the in the matter of reduction of forces in Europe, has pro- he Community's integrity from the possibility of German n as far as Britain herself has.

last word had been said to France by the United States United Kingdom. It was now up to the Prime Minister, iiel, to fix a date for the debate in the Assembly. On 15 ⁄1. Laniel stated that the French Government would on ask Parliament to arrange an early debate on the British ierican guarantees, the agreement on the Saar, the addi- rotocols, and the Bonn and Paris treaties. The Geneva ence was due to open on 26 April. At this point it seemed to s allies that no further delay was conceivable, at least in the ation of the E.D.C. to the National Assembly. But the fall ndo-Chinese fortress of Dien Bien Phu on 7 May cut the from under M. Laniel's feet. His Government narrowly d a vote of confidence on 13 May and fell on 12 June, while ıeva Conference was still in session. From then onwards the he E.D.C. was to be inextricably entangled with the fate 'rench expeditionary force in Indo-China.

e end of May the French Socialists held a congress in Paris rce voting discipline on their deputies over the E.D.C. ıe Socialists were, and are still, known to hold the fate of in their hands because their 106 votes would *en bloc* ensure sage of the Bill. M. Guy Mollet, the party's secretary- has taken many years to persuade himself of the necessity nan rearmament; but now that he recognizes it he has ırmly for the E.D.C. In opposition is M. Jules Moch, Socialist Minister of the Interior, who is *rapporteur* on the he foreign affairs committee of the Assembly, which lately the E.D.C. by 24 votes to 18. At the Socialist congress in Mollet tried to pass a disciplinary motion excluding from y any deputy who voted against E.D.C. in the Assembly. motion failed, and the congress did nothing to heal the between the deputies, who remained divided, roughly, half half against the treaty. More than M. Mollet's efforts was y to combat the views of MM. Moch, Daniel Mayer, and n, the Socialists' candidate for President of the Republic[1].

other session of the Socialist Party congress on 4 July a resolution e to the E.D C. was passed by only 1,982 votes to 1,193 with 227 ıs (*Manchester Guardian*, 5 July 1954).

The French Socialists were favourable in principle to a We European supranational community, but were divided on the que tions (*a*) whether German rearmament was desirable at the prese juncture in terms of world policy, and (*b*) whether the cause European unity would be served by it. Like their German co leagues, moreover, they distrusted an integrationist programn monopolized by Catholic Governments. On the other hand tl *Mouvement Républicain Populaire* had a much less critical faith the European *idée force* and its own capacity to realize it. Tl notion of a European Defence Community was, for the M.R.I more than a contrivance against German militarism. As the oth schemes of European integration, first the E.C.S.C. and then tl political community, took shape, it became more and more tl centrepiece of a whole ideology and programme of transference sovereignty from the nation-States to the Europe of the Si Moreover the M.R.P.'s statesman, M. Robert Schuman, also ga E.D.C. his personal pacific imprint.

M. Schuman's replacement as Foreign Minister by M. Bidau leader of the M.R.P., was indeed followed by a slackening of tl integrationist impetus in France and a deterioration of Franc German relations.[1] M. Bidault had been Prime Minister in M 1950 when the Schuman Plan was launched before an admiri world; but in the matter of E.D.C. his declarations were alwa more reticent. More than M. Schuman he was haunted by tl various threats to French power in the world and to the integri of the French Union. In this spirit M. Bidault has sought, wi some success, to be a link between the Centre and the Right b tween the progressive Catholics who see European Union as modern *gestum Dei per Francos* and more nationalist elements wh believe that France may yet survive as the smallest of three gre world Powers. Throughout the vicissitudes of 1952–4 the M.R. nevertheless remained basically committed to a policy of Franc German *rapprochement* and European integration; thus on the fa of M. Laniel's Government it could consistently declare that would take part in no Government which did not formally espou the cause of E.D.C.

The investiture of M. Pierre Mendès-France on 17 June 19 and his choice of a Radical-Gaullist Government has complete altered the complexion of French politics for the time being. A

[1] In Italy, Signor De Gasperi also ceased to be in power after July 1953, b the Italian Government did not swerve from his policy as a whole.

:rminate number of Radicals, splinter-group Radicals, and
:rvatives (Independents, Peasants, and others) who form part
Mendès-France's coalition are, it seems, still in favour of an
ıded E.D.C. treaty'.[1] On the other hand the Gaullists,
g whom General Koenig, the present Minister of National
ıce, is prominent, accept German rearmament but are im-
›ly opposed to the transfer of sovereignty involved in the
ng over of French forces to supranational organs. Meanwhile
›cialists who vote for M. Mendès-France but do not partici-
n his Government remain divided on E.D.C.; and the M.R.P.,
support it wholeheartedly, abstained at the investiture and
since formed a kind of loyal 'His Majesty's Opposition'. The
de of the Prime Minister himself to E.D.C. remains what it
t the time of his unsuccessful bid for the premiership a year
ıo genuine decision, he believes, can be reached on German
ament until France's military commitment to Indo-China
een clarified. But M. Mendès-France stated that he would
diately proceed to a confrontation of protagonists and anta-
s of E.D.C., beginning with those in his own Cabinet.

anwhile the Americans and British were becoming more and
worried by the frustration of Dr Adenauer's policy of Ger-
ssociation with the West. On 28 June President Eisenhower
ır Winston Churchill referred to the E.D.C. in the communi-
sued after their talks in Washington. 'We are agreed,' the
ıent ran, 'that the German Federal Republic should take its
as an equal partner in the community of Western nations,
it can make its proper contribution to the defence of the
orld. We are determined to achieve this goal convinced that
›nn and Paris treaties provide the best way. We welcome the
statement by the French Prime Minister that an end must
. to the present uncertainties. The European Defence Treaty
:en ratified by four of the six signatory nations after exhaus-
:bates over a period of more than two years. Naturally these
s are unwilling to disregard their previous legislative ap-
s or to reopen these complex questions. In connection with
treaties, the United States and the United Kingdom have
important assurances, including the disposition of their
forces in Europe, in order to demonstrate their confidence

this they seem to mean a system which prevents the revival of independ-
man military authorities but allows the continuation of French ones in
ıtest possible degree.

in the North Atlantic Community and the E.D.C. and the Bonn treaties. It is our conviction that further delay in the entry into force of the E.D.C. and Bonn treaties would damage the solidarity of the Atlantic nations. We wish to reaffirm that the programme of European unity inspired by France, of which the E.D.C. is only one element, so promising to peace and prosperity in Europe continues to have our firm support.'

Even before the Washington communiqué France's partners in the E.D.C. treaty were putting pressure upon her to take a clear-cut decision whether to accept or reject the treaty as it stood. The Foreign Ministers of the Benelux countries met in Luxembourg on 21 June and agreed to propose an immediate conference of the six signatory Powers. The invitation was at once accepted by Dr Adenauer. M. Mendès-France, however, explained to the Belgian Ambassador in Paris that the French Government was preoccupied with the conduct of the Indo-Chinese armistice negotiations and could not attend the proposed conference in Brussels. At the same time the French Prime Minister said he was willing to confer with the Belgian Foreign Minister, M. Paul-Henri Spaak, should he come to Paris. M. Mendès-France also promised to send an emissary to Bonn to talk over Franco-German problems. The person chosen was M. Guérin de Beaumont, member of the Independent (Conservative) Party and Under-Secretary for Foreign Affairs. M. de Beaumont was known to favour an amended E.D.C. treaty which increased the number of instances in which voting by the Council of Ministers must be unanimous at least for the first five years of the treaty and which limited the treaty's life to ten years.

M. Spaak duly came to Paris and discussed the situation with the French Foreign Minister, the conference of the six Powers having by general consent been postponed. Dr Adenauer, on the other hand, certainly emboldened by the Washington communiqué and by a telegram of support from Sir Winston Churchill, had reacted sharply to the temporizing attitude of M. Mendès-France, whom he evidently regarded as a determined adversary of the treaty. Speaking in a radio interview on 2 July, the German Chancellor called upon the French Prime Minister to submit the treaty without delay to Parliament. Germany, he said, would not consider any modifications of the text until the treaty was ratified. Nor was there any alternative to the E.D.C. except the creation of a German army.

e French reply to Dr Adenauer was to cancel the proposed
f M. de Beaumont. M. Mendès-France no doubt resented, as
nost of French opinion, the ultimatum-like tone of Dr
auer's broadcast. But it was in any case unlikely that M. de
nont would have been able to offer any new proposals as the
h Cabinet itself was not yet united in its policy.

4 July it was announced that an Anglo-American study
was to be established in London to discuss what might be
if the French Parliament did not ratify the E.D.C. Treaty.
der that Germany should 'take its place as an equal partner
community of Western nations' some means would then
o be found of breaking the link between the Treaties of Bonn
aris. The original legal basis of these treaties was that Ger-
should recover her sovereignty at the moment when she
ed the obligation to contribute to West European defence
the E.D.C.

United States and British Governments were, however,
l that the political situation in Western Germany might
ally deteriorate if Dr Adenauer's sustained policy of close
ation with the West were not rewarded, whatever the fate of
., by the granting of sovereignty to the Federal Republic.
July Sir Winston Churchill announced to the House of
ions that 'in the unhappy event of the failure to ratify E.D.C.
British and United States] Governments' aim could best be
ed by dissociating the Bonn Conventions in simultaneity
he passing of the E.D.C. Treaty, and if possible this should
e by agreement between the four Powers which signed these
ntions. Any other course . . . would be contrary to the stan-
of good faith and fair play which we desire to maintain
ls all nations, including those with whom we have been at
In reply to a comment by Mr Attlee that, granted the dis-
on of the treaties, Germany might then well rearm on her
Sir Winston admitted that arrangements would be needed to
e the use of Germany's restored rights 'within standard
of safety comparable to that which had been effected by
.' Discussion of this matter would entail deferment of
an rearmament for the time being. On the same day Mr
informed Congress that the U.S.A. and Great Britain would
e immediate sovereignty for Western Germany but without
an rearmament, if France did not ratify by 15 August.[1]

ypothetical date for the National Assembly's recess.

France, which had not been invited to work with the Anglc American study group, was nevertheless kept informed of its deli berations. On 9 July, however, M. Guérin de Beaumont told th foreign affairs committee of the National Assembly that Franc was not prepared to accept the dissociation of the two treaties. During the next week the French public, occupied in applause fc the efforts first of Mr Eden and then of Mr Dulles towards assistin M. Mendès-France to obtain an Indo-Chinese armistice, was to busy to be seriously concerned with questions of E.D.C. an German sovereignty. French officials contented themselves wit emphasizing the difficulties of France's agreeing to end the occupa tion, even with suitable reservations in regard to Germany's rigl to rearm, until the Saar question had been solved. The 'Europeai solution for the Saar at present envisaged was linked with th E.D.C. in the minds of at least those French and Germans wh had negotiated it: thus a rejection of E.D.C. might well cancel th previous agreement on the Saar.

Meanwhile the Social Democratic Opposition in Germar declared itself against Dr Adenauer's uncompromising attituc towards France. In a broadcast interview Herr Ollenhauer state that his party would reject any system of German military contr bution which was 'without or against France' and any Anglc American return of sovereignty to Germany which resulted through French opposition, in differing regimes in the British an American zones on the one hand and in the French zone on th other. As to rearmament, there should, added the German Sociali leader mysteriously, be neither E.D.C. nor a new German nation army: there should be a European 'coalition army', whose com ponent (national) armies would not lead isolated lives separat from the other armies.[2] Herr Ollenhauer's tactic seemed to be t reawaken German doubts of the expediency of Dr Adenauer integration policy—partly by exaggerating the likelihood of French refusal to underwrite it, partly by insisting once more th it would perpetuate the division of Germany, and partly by em phasizing the inequality of rights which Germany, with foreig troops contractually stationed on its soil, would suffer und E.D.C.

At the end of the week of the Geneva decisions on Indo-Chin when this article went to press, something of a pause ensued in tl

[1] *Manchester Guardian*, 10 July 1954.
[2] *ibid.*

debate', while M. Mendès-France prepared to turn his
es from Indo-China towards the European problem.

C. N. J.

Note on the Additional Protocols[1]

six additional protocols were agreed by the different delegations interim committee of the E.D.C. on 24 March 1953 but have either signed by the six Governments nor ratified by any Parlia-

ocol I (*re* Article 10 of the treaty) relates to questions of confer- of rank, promotion, and demotion, and safeguards national pre- es in the opening phase of the treaty's life. The protocol also wn that each member State shall in the same period decide which s, sailors, or airmen recruited by it are to be posted to the al Army (if any) of the said State and which to the European The protocol adds extremely little to the treaty.

ocol II (*re* Articles 43 and 43 *bis* of the treaty) refers to the treaty's ion that voting power in the Council of Ministers shall in certain ces depend on the Member States' contributions in manpower penditure: and to the further provision that during a transition , which will terminate at the date set for the formation of the helon of forces, the national contributions (which determine the e voting strengths during the transition period) shall be evaluated basis: Germany, France, Italy, three each, Belgium, the Nether- two each; Luxembourg, one.

protocol requires that, since the manner of fixing the terminal the transition period is inadequately defined, there should be an ent between the Member States as soon as the treaty comes into ither on the actual date or on how it is to be fixed.

reason for this protocol is that France, who can see no certainty plementing the military programme defined in the technically annexes to the treaty, wishes to avoid a situation in which she erself inferior within the Community in military and therefore in strength. To do this she must guard against a premature date for mation of the first échelon.

ocol III defines certain directives which the contracting parties agree to give to their representatives on the Council of Ministers rd to the military schools of the Community. In particular the ol stipulates that these schools should be open to personnel ing to national armies. Opponents of E.D.C. observe that this ol means simply an earlier closing-down of Saint-Cyr.

ocol IV (*re* Article 75 of the treaty) deals with mobilization, sibility for which is shared in the treaty between the Board of issioners, which prepares the mobilization plans of E.D.C. forces, e Governments of the Member States which decide when to begin

[1] xt in *Documentation Française*, 24 March 1953: *Protocoles additionels au instituant la Communauté Européenne de Défense*. Also included in *The an Defence Community* (H.M.S.O., Cmd. 9127).

the mobilization of national contingents. The protocol requires th Member Governments agree to instruct their representatives in t Council of Ministers that the Board is competent to plan mobilizatio of the European Defence Forces, including internal security forces, an their supply, but 'not to concern themselves with other resources of t Member States'. The protocol thus tries to distinguish between ci and military requirements.

Further, until special agreements are reached between the Europe and national authorities on mobilization measures, only the nation authorities are legally competent to execute the mobilization and supp of their contingents. Here the protocol underlines the retention national sovereignty during the opening phase of the treaty's life. S long as there is no European executive, the argument runs, Gover ments remain responsible for national mobilizations. Their competen in this matter can only be affected by special inter-Governmental agre ments whose object would be to harmonize individual mobilizatio plans.

This stipulation is another instance of the fear of the Board's usur ing power which can only properly belong to a political executiv whether national or supranational.

Protocol V (*re* Article 107 of the treaty) relates to the authorizatio and prohibition by the Board of arms-production within the Com munity. The treaty gives the Board power to authorize the productio export, and import of war materials required for the forces of Memb States which do not form part of the European Defence Forces and f the forces of associated States for whose defence Member States hav assumed responsibilities. The Board however also sees to it that th permits which it issues correspond to the real needs of those forces an are not so large as to enable the country in question (France) to ama stocks of arms for other purposes. Permits will also be issued for th manufacture of pyrotechnical compounds and priming explosives f civil purposes, but equally subject to inspection by the Board's official

The protocol requires the Governments of the six countries to unde take to instruct their representatives on the Council of Ministers give certain definitive directives to the Board: the Board shall gra general permits *once and for all* for the manufacture of arms of the typ mentioned above and thus loses the power to cancel its authorizatio The sole sanctions applicable to offending parties are, therefore, thos penalties laid down in Article 107, which will be applied by the Cou and not by the Board. The protocol frees France not from the engag ments of Article 107 but from the administrative veto of the Board o arms production export and import.

Protocol VI is designed to facilitate the transfer of French forces fro the European Army to a non-European territory for whose defenc France is responsible in the event of a major crisis on that territor According to the treaty the Member State faced with such an emergenc will, at its request to the Board, and after notification to the Counci automatically receive the troops it requires from its European contin gent *unless* the Supreme Commander of N.A.T.O. forces in Europ

rws the transfer. In the protocol the contracting parties are re-
l explicitly to instruct their representatives on the Council of
ters to direct the Board to free the forces immediately for the
led transfer to the region of the emergency. The contracting
s are also required to state that 'the Supreme Commander cannot
his agreement unless it is established, in conformity with the
and its annexes, that the withdrawal of the forces in question is
is to compromise the Community's security'.
s protocol is by far the most important of the six. In the treaty
the verdict of the Supreme Commander is unconditionally bind-
f he considers that the proposed withdrawal of forces endangers
curity of the Community and refuses his permission, then the
does not put the troops at the disposal of the Member State. The
col establishes quite another procedure. The Board, upon request,
immediately release the troops. The onus of proving damage to
.D.C.'s security done by the transfer is then upon the Supreme
nander. In practice such a dispute could only be settled by a joint
ng of the Atlantic Council and the Council of the E.D.C. Formally,
le nation—in this case the nation demanding the transfer—can by
o prevent a decision by the meeting unfavourable to itself. Even
a veto proves politically impracticable, the Supreme Comman-
authority is severely limited by the protocol, which at least re-
the summoning of a ministerial conference to endorse his judge-

The Sudan under the Sudanese

First Steps in Self-Government

present situation in the Sudan is a transitional one both in
nfolding of events and in the feelings of its people. By the
-Egyptian Agreement of February 1953 the present Sudanese
ment, chosen in the Elections of November 1953, is charged
the internal self-government of the country, leaving the
rs of foreign affairs and defence in the hands of the Governor-
ral as the representative of the two Co-domini, Great Britain
gypt. Control of these matters will only be handed over when
ext stage, that of self-determination, is begun. It is worth
ing this situation in order to emphasize that the Sudanese as
ple have not yet been brought squarely face to face with their
and the decision they have to make, whether to chose a link
Egypt or independence.

Although to many the results of the last Election must ha seemed a vote for Egypt and a vote against Great Britain, that w not the issue upon which the Election was fought. It was foug primarily on the sectarian issue between Sayeds Ali el Mirgha and Abdul Rahman el Mahdi, for the bulk of the electorate on understood the Election in such simple terms; and secondaril among the intelligentsia and the merchant class, on the 'ant colonizer' issue in order to remove the British from effective pow within the country; but candidates did not on either side put tl problem of the Sudan's future clearly before the electorate. I the event the Nationalist Unionist Party, jointly composed of tl old Ashigga pro-Egyptian nationalists and Sayed Ali's Khatm sect, and relying on both these issues and on active Egyptian en couragement, won the Election with some ease. Old fears of a ne Mahdia[1] and new hatreds of foreign control combined to ensu this result.

Once the Election was finished the sectarian issue faded awa Sayed Ali had proved his point that his followers were mo numerous, and the Umma party[2] of Sayed Abdul Rahman retir to lick their wounds and consider their attitude. After some initi growls that they would refuse to sit in Parliament, they decide wisely to fill the role of parliamentary Opposition. The victorio N.U.P. on its part settled down, under Sayed Ismail el Azhari Prime Minister, to Cabinet-making. There were initial rumou that Sayed Ali might insist on his leading representative, Saye Mirghani Hamza, ex-Assistant Director of Works, being appointe Prime Minister, but it was soon decided that Sayed Ismail Azhari, with his long history as leader of the Ashigga and his clo knowledge of Egypt, should retain the leadership, and it was cle that it was to be a political and not a sectarian Government. Whe el Azhari came to make his Cabinet, it was a judicious blend Ashigga and Khatmia representatives, most of them men of stror views, whether pro-Egyptian, anti-Mahdist, or anti-Britis among whom he had both to lead and to mediate. The team whi he chose were new to the work of higher government as none them had been associated with the Legislative Assembly whi they had boycotted. Some were ex-Government servants, wh

[1] The Mahdia is used to describe the period of self-rule in the Sudan from t death of General Gordon to the Battle of Omdurman in 1898. Begun under Mahdi, the father of Sayed Abdul Rahman, it ended under the Khalifa Abdulla and his western tribes who ruled the Sudan by the sword.

[2] This is the political version of the Ansar sect.

ers were young men known for their energy and intelligence in
ting careers for themselves as advocates or lawyers. Some had
siderable experience of political life in Cairo and even in the
ited Nations when they were in opposition to the old Sudan
vernment; others had relied on Egyptian support for their
lihood. With such a mixed team the Prime Minister decided
t Parliament should go into recess immediately after the election
he Speakers so that the new Ministers might acquaint them-
'es with the work in their ministries. The country thus entered
yet another interim period, this time of five weeks, before its
| parliamentary life could begin.

n his initial public pronouncements the Prime Minister gave
ıe evidence in the expression of his thanks to Egypt that his
vernment would have a pro-Egyptian tendency. On being
en to task by the Opposition in the brief moment allowed them
ore the recess the Prime Minister affirmed that his Govern-
nt's policy would be the implementation of the Agreement, and
h that the Opposition had to be content. Nevertheless, in the
rim period which followed there was considerable evidence of
pet-bagging by Egypt. From Cairo came announcements,
ore the invitations were issued, that General Nagib and Major
eh Salem would attend the official opening of Parliament.
ere were visits of parties of Egyptian officers and promises of
s of arms and planes. There was an Egyptian fun-fair on Vic-
a Avenue in Khartoum. There were commercial representatives
arious kinds, particularly from an agricultural loan society, and
ourse Egyptian newspapers were delivered free in Khartoum.
e Opposition protested through its press and it was clear that a
icult atmosphere was being created in which to open Parliament
1 March.

'he new Government did not have an easy time during Feb-
ry. It is true that the Prime Minister and his Ministers were
e to make successful tours to different parts of the country,
l in several ministries though not all a reasonable *modus operandi*
achieved between the Minister and the British Head of Depart-
nt—there are no Sudanese heads of departments to date. The
me Minister in conjunction with the chief British Permanent
der-Secretaries drew up a statement of policy for the relations
ween the Ministers and the departments of the civil service.
this was to the good, but the Sudan's ordinary life went on and
'isis soon blew up in the operation of the Gezira Scheme where

a leader of Communist tendencies was stirring up the tenants to demand a new form of body to represent their interests with the management. The Government accepted advice and took a firm line in support of local authority, and decreed new elections in the Gezira. There were also rumours of trouble round Juba in the South, where the Bari tribe were said to be restive under the impact of events; two Ministers flew south to investigate the matter and helped to quieten it down in co-operation with the local authorities.

In these and other matters, although the press was often full of accusations against malign British influence, co-operation between the Government and the British civil servants proved reasonably easy and there was evidence of goodwill on both sides; indeed some of the Sudanese Ministers were said to be surprised at the correctness and helpfulness of their departmental heads. Nevertheless it was not long before signs appeared that Ministers were allowing direct approach to themselves on departmental matters by Sudanese lower down the departmental ladder and by the public, so that British officials were often left with a feeling of being by-passed. There were indeed also signs that in the new and more oriental phase which was opening civil servants might find it difficult to remain impartial when political pressure was applied to them, and that this ideal for which the British had striven might find it hard to survive. The Prime Minister was being most correct in this matter, however; he called on the civil service to do their duty and stated his wish that British technical staff should remain. A good body of men was approved for the Public Service Commission.

When the Cairo Agreement was signed, there was one point in it on which all Sudanese parties were agreed, in common with the Egyptian side and irrespective of whatever reservations or interpretations they might have about its important recognition of self-determination; this was the removal of the British from the Administration, the Sudan Defence Force, and the Police. It is true that the British in these services wielded immense power inside the country, but they were not political officials, and their aims were not political in the sense that it was their business to make the country run, not to decide its future. Nevertheless, to the Sudanese educated class their power seemed a most desirable thing to possess and to the Egyptians the greatest obstacle to any designs which they might have upon the country. They were in

e traduced as 'colonizers' whose duty it was to exploit
in favour of Manchester and to ensure her membership
monwealth. The fact that they were the very economi-
which had brought the Sudan to its present state of
d efficiency was overlooked or even denied. The
inistrators themselves, who felt that the Sudan was not
elf-government, hoped that there might be a solution
litical control passed to the Sudanese but administra-
remained with them under a Sudanese Government,
ere doomed to disappointment. Article 2 of the Agree-
for 'the liquidation of the present administration', and
provided for the removal of all British in the Admini-
e Sudan Defence Force, and the Police 'in order to pro-
nd neutral atmosphere before self-determination'.
ne Minister early gave evidence of his intentions in this
udanization by stating in a press interview that he saw
y in Sudanizing the Administration in three months,
re he became in need of a policy the more he clung to
of the Agreement. When he submitted to the Governor-
r approval the Sudanization Committee which was to
these clauses, it was found to contain three faithful
ty men, and it was a foregone conclusion that the Com-
ld press for Sudanization at maximum speed irrespec-
great lack of seasoned administrative staff to replace the
nbers. This was what all the educated class wanted and
Minister was determined to give it to them. Indeed, to
administrators themselves it began to appear that they
tle more good by remaining and that whatever it might
ficiency or injustice, acceptance of rapid Sudanization
ly way both to satisfy the aspirations of the educated
bring the people as a whole face to face with reality.
of fifty years was going to be put to the test in the
sible way without the orderly handover for which they
and planned.
anization Committee accordingly pressed on with its
all speed, seeking a formula for rapid withdrawal. The
ce, which had only a handful of British officers left and
tious Sudanese officers, was quickly Sudanized. For
stration a plan was produced which while not as rapid
as the Prime Minister's three months, was as quick as
ally practicable; British administrators were to go in

three phases, the first of which is in operation now, and the last of which, including the Provincial Governors, will be completed in February 1955. By then the entire administration will be in Sudanese hands. The Government then turned its attention to the Sudan Defence Force, and recent news from Khartoum shows that all British officers, including the General Officer Commanding, have been given notice by the Minister of War to go as soon as they have handed over satisfactorily to their Sudanese successors. All this indeed was speed of Sudanization with a vengeance, but whether it was wise or not, or acceptable to the wiser Sudanese or not, it was strictly in accord with the terms of the Agreement.

What had been hoped of the Agreement, by the British side at any rate, was that the transfer to self-government should be supervised with impartiality by the Governor-General and his Commission, and that while power might be withdrawn from the Administration, some control might be left with the Governor-General to ensure security and freedom of opinion for all during the interim period. This hope was to be falsified by a condition inserted in the Agreement at a late stage in the negotiations, to the effect that the appointment of the Sudanese members of the Governor-General's Commission, to be agreed by the Co-domini before the Election, should be subject to the approval of the Sudanese Parliament after it assembled. The membership of five was composed of a Pakistani as chairman, British and Egyptian representatives of the Co-domini, and two Sudanese. In the original appointments the two Sudanese members were chosen one from Sayed Ali's and one from Sayed Abdul Rahman's adherents, and both were men well known in the public service of their country. There was thus an even balance on the Commission which gave hope that the Governor-General might have impartial support from his Commission. So indeed it turned out in the first instance in which the Commission was called upon to endorse a decision by the Governor-General under the Statute. This was when the Prime Minister put forward as Speaker of the House of Representatives a strong N.U.P. party man and got him elected by the party vote. Such a choice clearly did not give the impartiality desired in a Speaker, and when the Governor-General refused to sign the appointment his Commission supported him, and the Prime Minister was asked to put forward a more suitable candidate. It may be that this early brush strengthened the Prime Minister and his colleagues in their determination, of which rumours had been

› take advantage of the condition mentioned above and
:e a N.U.P. man for the Umma member of the Com-
thus with the Egyptian member securing a working
. At any rate nothing more was heard of it for the time

new Government had accepted British advice in some
matters, they did not do so in what proved to be the
:risis they had faced so far, the formal opening of Parlia-
1 March. The Prime Minister had of course included
Nagib in the list of invitations. As the date approached
ıgs happened: it became clear that the Ansar sect was
ıg a large gathering of supporters from outside Khartoum
)pening, and General Nagib fell from power, only to be
almost immediately.[1] It was now the eleventh hour before
ıing and tension was high; thousands of Ansari supporters
·ading in the capital and it was obvious that the security
/ere going to be severely strained, particularly if the
came; in these circumstances the British in authority could
ise that the General should not come, or there would
ertainly be trouble. However, the Prime Minister and his
were too deeply committed to accept such advice and the
n stood. Its sequel was the tragic clash between Umma
:rs and police outside the Governor-General's Palace in
ves were lost on both sides, including that of the British
ıdant of Police, and which caused the deferment of the
and the departure of the guests.
ffair is still *sub judice*, but it seems clear enough that there
ıtention on the part of the Umma to cause such a disaster.
ere determined to show the Egyptian guests their dis-
of Egypt's tactics, but that was all. In this indeed they
d more than they intended; General Nagib had to retire
/ to Cairo, the carpet-bagging ceased, and direct Egyptian
ion shrank. It was clear that their intelligence had been at
l they had overlooked the fact that there was still a strong
tical body in the Sudan which disliked them more than it
the 'colonizers'. But for the Mahdists it was a pyrrhic
they had not foreseen the clash and were thrown off
by it, feeling that they had been roughly handled by the
'or the Government it was at first a severe shock; forces
leashed of which they had no experience, and the local

gypt since the Coup d'Etat of 1952', in *The World Today*, April 1954.

press tended to be critical of their handling of the situation. They had also received a clear warning of the trouble which an overt pro-Egyptian policy might arouse, and it was noticeable thereafter that the Prime Minister stuck even more closely to implementation of the Agreement as his policy and reiterated his wish to see the Sudan achieving its own status and maintaining with Egypt only the relations of 'brother with brother, hand in hand'. Nevertheless, after the first shock had died away and no Mahdist trouble had followed in the Provinces, the Government felt on firmer ground and the affair began to react in its favour; for was it not clear evidence of the danger of a new Mahdia as they had foretold? The Police began to hunt for the Umma ringleaders and there were fears that the Government, confident in its position, might go so far as to arrest members of the Mahdist family. British families were evacuated from the predominately Mahdist provinces. Luckily these fears did not materialize; there was no sign of Mahdist risings, and the whole affair gradually sank back into the routine of a magisterial inquiry. But the Government at once proceeded to consider increases both in the S.D.F. and the Police for the maintenance of public security, and Egypt repeated her promises of arms. Such an increase seemed part of the price which the Sudan must pay for renouncing the 'pax Britannica'.

This 'pax' would appear to be threatened particularly in the South, which all along has been an unknown factor in the situation: unknown to Northern Sudanese politicians, and unknown for its reactions to the future. Anti-British propagandists have portrayed the South as deliberately neglected by the British and as an Eldorado only awaiting exploitation. They have ignored the difficulties of communications and the conservatism of the people, and are only coming dimly to a realization of the extraordinary personal influence exercised there by British District Commissioners who through their kindly authority were able at minimum cost to keep many wild tribes at peace and slowly to bring them forward toward material improvement. This South is now to be handed over to Sudanese administrators from the North whom it does not know or trust. It is apprehensive about the future and lacking in prominent men. The Government has shown its awareness of the necessity to give the South its share of office and if possible to give it its own men as administrators. The South has its nationalists, and among them were found men to stand for election in the N.U.P. cause and win their seats; but the majority

rn nationalists want the South for the Southern Sudanese
ort the independence of the country rather than a link
pt. The Election left its trail of trouble there; for part of
P. campaign had been to discredit British D.C.s, and it
t take very much for the delicate balance of security held
to be upset. There have been signs of this, as for example
ri trouble mentioned above, and the Government may
t the continued service of British administrators in certain

ne new Parliament had been quietly opened by the Gover-
ral on the deferred date, the ordinary business of govern-
gan. The Speech from the Throne delivered by the
-General was a lengthy programme of development
s largely a rehash of departmental plans with a few frills
he early days of Parliament were taken up with a vote of
ut forward by the Opposition and defeated with ease by
rnment after the Umma had failed to persuade some
Members to cross the floor. Now signs began to appear
xtremists in the Council of Ministers were pressing the
nister to put into effect the party plan to monopolize the
-General's Commission. The Governor-General and his
lvisers used all their powers of persuasion on the Prime
to make him and his colleagues see the unwisdom and the
of such a step, which might well drive the Umma into
lt and wreck the transitional period of self-government.
gument was in vain and the Prime Minister finally felt on
ough ground to put the matter to the House, which duly
Sayed Ibrahim Ahmed's membership and substituted
N.U.P. Southerner who was noted for his compliance.
e had the specious recommendation of giving the South
ation, but in fact it secured an Egyptian-N.U.P. majority
ommission and virtually tied the Governor-General's
was in vain for the Umma and H.M.G. to protest and
a gross breach of the spirit of the Agreement; for the
e was within the letter of the Agreement. The change-
place and the Governor-General lost what little chance
checking the Government in the implementation of the

ove had been the most partisan and pro-Egyptian action
Government had taken during its brief reign; it was also
unco-operative towards the Opposition. So far it has

been justified in its belief that its power and backing were strong enough to enable it to defy the Umma rather than conciliate them. The Umma, entangled in the intricacies of a modern State—they are the largest private producers of cotton in the Sudan—and of parliamentary procedure, cannot easily revert to the simple remedies of the 1880s without upsetting the whole apple-cart, and they are still working within the parliamentary framework. They may hope, as a sober body of thought in the countryside feels, that the N.U.P. Ministry will eventually pull itself down by its own mistakes.

It remains to say something of the British members of the judiciary and the British officials serving in the technical departments, neither of whom are directly affected by Annex III of the Agreement. As to the former, their impartial and privileged position had been recognized in the Statute under which the judiciary are the guardians of the Constitution, and their Sudanization was not tied to the term of three years set for self-government. In spite of this the Sudanization Committee is said to have called for their removal, and pressure for this may be expected to increase. As to the technical officials, they will have an option whether to stay or go, and 1 January 1955 has now been set as the date on which they can give six months' notice of retirement. At the moment it cannot be said with any certainty how many of them will choose to remain. Much will depend on the terms of the compensation Bill which is now in its final stages before the House of Representatives, and much also on the terms and conditions which they can expect, not only of service, but also of living, since life in the future Sudanese State will differ considerably from the colonial type of life which they have led in the Sudan during the past fifty years. Certainly the Sudan must hope that they will stay; for their skill in activities which range from plant-breeding to well-digging is what makes the country run, and they cannot be replaced easily or cheaply by other European experts. The Prime Minister has shown his awareness of this necessity, and there are signs that the need of British technicians is recognized; well-diggers are getting new contracts and educationalists are still being sought through advertisements in the British press. Certainly Britain herself must also hope that they will stay; for their presence will be the main direct British link with the Sudan, which those who stay on can keep green by their example, their patience, and their skill. Providing the technical services of the Sudan can be kept going, the

stands a fair chance for the future even with rapid
ation of the judiciary and the administration.
are many Sudanese in town and country who do not want
sh connection to be cut, but they do not appear to realize
gerously close it is to being severed. What bothers many
s is the political apathy of the Sudanese people. They are
essed by a fervent and united nationalism. They have been
fifty years to indulge their differences and feuds providing
t within the law, and they have not yet achieved a unani-
purpose with which to face the present crisis in their
They have not yet seen clearly how the Sudan has passed
vernight from fifty years of benevolent administrative rule
ra of political government in which they must have views
ions for themselves. From where is to come the power to
the British mainspring which has driven the Sudan up
stitution to prosperity? It could come from Egypt; there
y Sudanese who sincerely believe that that is what should
and from what has been written above it will be seen that
ent Government's position is orientated towards Egypt. It
me from the Sudanese people themselves if their indivi-
and will for independence can fight itself free of ties,
or political, and enable the best of the young educated
give the country the lead it needs. Many feel that it will
ie if the Sudan is faced with the decision of self-determina-
oon as possible.

A. B. H.

Irgentina's Economic Dilemma

he Argentine people voted on 25 April for a new Vice-
t and for several members of Congress it became clear
e had been no major change in public feeling: in elections
e conducted with exemplary fairness the Peronista candi-
the Vice-Presidency, Rear-Admiral Teisaire, obtained a
ial majority. The polling was conducted perfectly fairly,
scales were heavily weighted in favour of the Peronista
e, who has been in the public eye for some years as

President of the Senate and as a personal friend of General Perón. The Opposition was unable to produce a candidate whom the electorate had ever heard of and, since the Opposition parties have been systematically repressed by the Government, their electoral machinery was not nearly so efficient as that of the Peronista Party. The security of the regime has been further strengthened by some technical modifications in the constituencies which serve to deprive the Opposition of the few seats that it still held in the Chamber of Deputies. The Senate has been all-Peronista for some years, so that now there is no Opposition representation in Congress.

These facts serve to underline a point that has not perhaps been fully accepted outside Argentina: General Perón is the ruler of Argentina in the completest sense and his grip on every aspect of the nation's life is firmer than ever. Whatever may be the observer's opinions on political freedom or economic liberalism or the most desirable form of government, the fact must be accepted that Peronismo is the governing principle in Argentina, and there is no reason to suppose that it will not continue to be so for some time. Even the critics, who have missed no opportunity of pointing out the economic errors and the political bullying of which General Perón and his men have undoubtedly been guilty, have had to admit that the regime is firmly seated. They have also had to concede that Peronismo has shown a remarkable ability in adapting its principles to changing circumstances without appearing fickle or actually deserting those whom it has always professed to support.

In Argentina, perhaps more than in most other countries, where there is so close and direct a connection between the weather and the economic life of the nation, adaptability is a necessary virtue: policies must be adjusted to the rainfall. The political climate is also closely related, and the successful ruler should be alert and something of an opportunist, to make the most of the factors that he cannot control. The principal ingredient of General Perón's political success is his agility and skill at turning every event, even the vagaries of the weather, to his own advantage and credit. This talent has achieved the effect of making him appear to have extraordinary good luck, and it is possibly his most valuable political asset: it commands the respect of his followers and the reluctant admiration of his opponents.

The political stability of the Peronista regime is impressive, but it tends to conceal the extremely difficult and even dangerous

that has arisen on the economic side, and it is not at all w the General or his economic advisers propose to deal problems that have developed. In the bad crop years of and 1951–2 (particularly the latter) a relatively small of money was put into circulation through the official rchases, and the effect of this was to check inflation and to rise in the cost of living. General Perón, the alert oppor- quickly claimed this halt as his own achievement and that he had established stability and a balance between id prices.

proved to be a balance of a somewhat precarious kind, , and it is necessary to draw a distinction between a l economy—in which stability is achieved and maintained progress is fairly uniform in all its branches, or because uate proportion of the national product is converted into and investments, and so forth—and an economy in which -present elements of inflation are briefly neutralized by a ecession, but which remains nevertheless an unbalanced, ary economy. The unmistakable recession that appeared ntina in 1952 and 1953 gave a brief and rather illusory ice of restored economic stability, but inflationary factors uneconomic production, insufficient saving, easy credit, itious development plans remained: they were neutralized ecession, but their renewed effect is now becoming appar- the recovery of business activities that has followed the ion of exports.

espite from rising prices, whatever the cause, was very in Buenos Aires, and General Perón was able to appreci- sibly for the first time, the advantages of stability. The that he is now facing is that, the recession being definitely country's economy must be allowed to recover and the business activity should be allowed to increase: this, how- es the brake off the inflationary forces and leads to further es, and these in turn to labour troubles. Every improve- Argentina's exports tends to have inflationary effects at nd every turn of the inflationary cycle tends to make harder to sell, yet exports must be increased as much as in order to purchase vital imports on which the economic ie country virtually depends.

labour continues to demand, and to obtain, higher wages there being any proportionate improvement in output

nor any substantial increase in savings, inflation can hardly be avoided. It seems probable that the matter is beyond the delicate adjustments of monetary control and that the problem lies deeper. Output is unlikely to increase or to become relatively cheaper until a higher standard of productivity is set for, and accepted by, labour, and a larger volume of savings is made available for investment. There is evidence to suggest that savings are at present insufficient to counter-balance the growth of the population and the capital erosion or 'disinvestment' brought about by inflation. The nation is eating its capital.

The remedy is a much higher level of investment, from whatever source, but unfortunately neither domestic nor foreign investors are over-anxious to risk their capital in an economy that is manifestly unstable: the first move towards recovery and improved stability must therefore come from labour. A genuine will to produce would achieve results, and there are suggestions—faint but perceptible—in recent events in Buenos Aires that the responsible men in the trade unions are aware of the nature of the problem. The agreements recently drawn up between the unions and the managements show extreme moderation on the part of labour. The demonstrations recently reported, in which some of the more vociferous or turbulent elements repudiated the agreements—which involved wage increases of a modest 10 per cent—and demanded 50 per cent increases, are probably not to be regarded with too much apprehension. General Perón has branded the agitators as Communists and has compared the 'subversive' elements in the unions to microbes in the human body that cause disease. He is too much concerned to grasp at the relative stability of wages that is promised in the agreements to allow any form of agitation to upset so acceptable an arrangement. Yet he cannot afford to appear not to be giving the unions his support. By attributing the unrest to 'infiltration' he hopes to discredit the movement without losing the support of the unions.

These domestic problems have to be faced and solved before conditions can be made propitious for some of General Perón's most interesting and ambitious schemes. Argentina is in the forefront of Latin American industrialization and it is the General's ambition to achieve an advanced stage of technical development in the shortest possible time. In this, as in many other spheres, the old rivalry with Brazil is always in the background. But it is doubtful whether, even now, General Perón fully appreciates the

›e between the speed at which industrialization can take the technical sense and the rate at which an economy can ıded to include industrialization—which requires a higher saving than Argentina is at present capable of. He has hat his slogan 'economic independence' is somewhat and that not only the process of industrialization but also maintenance of a high level of industrial production a considerably increased volume of imports: this is partihe case in Argentina, where industry depends so heavily on of fuels and metals.

the mechanization of agriculture, which is undoubtedly project from most points of view, involves increased fuel ›tion; and it has yet to be established beyond question the introduction of even locally made tractors into unzed areas contributes to or detracts from the balance of s. Is the cost of the extra fuel to be imported covered by al production of exportable commodities? Eventually, it , Argentina will be self-supporting in fuel and other raw ; these balance-of-payment difficulties belong to the n period, it is contended. Unfortunately transitions are es lengthy.

eed to maintain a high level of exports was never greater w. Argentina has few export markets for manufactured , and those are virtually confined to the smaller neighbours: dation of Argentina's export trade is agricultural produce, n be, or could be, produced more efficiently and cheaply ıtina than anywhere else in the world. The large-scale on of grains and meat is what Argentina is uniquely for, and it seems that General Perón knows this as well dy: he must also be aware of the corollary that industrial on in a mineral-deficient country is bound to be unecono- ıs his past disregard of these inescapable facts that has of the principal causes of the country's economic troubles: his somewhat belated recognition has come too late for without disaster will be apparent before long.

olitically impossible and perhaps socially undesirable that Perón should reverse the calendar and drive the industrial rce back to the land, but it seems that his policy is now to ıose industries that contribute to the country's basic , or in some way assist the balance of payments, and to tax t do not. Besides the industries that use local raw materials

(cotton, wool, leather) for which there is clearly every justification in the economic sense, there are others, among the mechanical industries for instance, where the consumption of imported raw materials is not high and the Argentine labour content (including ingenuity in design) is such as to justify their being promoted. Agricultural machinery is an example where Argentine inventiveness has produced equipment that is superior, in the special conditions involved, to any that can be obtained abroad.

The ultimate effect of the development of these industries on the country's balance of payments, and also the incidence of mechanization on farm production costs, have yet to be fully examined, but in the circumstances of the present agricultural labour shortage farmers have no choice but to mechanize as far as they are able. The development of mechanized farming and other forms of progress are, however, delayed by the constant deterioration in Argentina's terms of trade with the industrialized countries. In common with other Latin American countries, in differing degrees, the international values of Argentina's principal exports have been declining, in relation to the cost of her imports, almost continuously since the immediate post-war years (the Korean boom having been very short-lived). These facts have been noticed by the U.N. Economic Commission for Latin America and were stressed by the Argentine delegation at the seventh (1952) General Assembly of the United Nations, who contended that the various raw commodity conferences have all been designed to lower prices, or prevent their rising, while there is no mechanism to enable the producing countries to defend their prices, nor to reduce the prices of fuels, machinery, and other things that they must import.

These contentions are of course reasonable enough, and several of the Latin American countries endorse them: they would sound more convincing from Argentina, however, if she did not maintain a highly complicated and distorting exchange mechanism which has been so devised that it is now virtually impossible to establish the real cost of producing a ton of wheat in terms of dollars, or the real cost of an imported tractor in terms of pesos: it is only possible to guess that the present cost of the tractor in terms of wheat is probably nowhere near its real cost.

It seems unlikely that substantial changes will occur in the pattern of trade terms noted by the E.C.L.A., since the manufacturing countries tend to have the upper hand: Argentina is less severely affected than several of her neighbours, because her vital import

ments have tended to be more in the nature of raw materials
those that were not vital have not been imported—and the
of trade are increasingly to be assessed as between one group
nary products and another. In a smaller way Argentina is
ng to her neighbours what the larger industrial countries
er: it happens, too, that a large number of the primary goods
not available in sufficient volume in Argentina (petroleum,
ase metals) are obtainable in neighbouring countries. The
economic agreement between Argentina and Chile, which
or and Paraguay later joined, foreshadows many possibilities
e developments between these and neighbouring countries,
which are food importers. The terms of trade will then be
nt, but Argentina will tend to be in the ascendancy.

economic affairs of Argentina are, in short, very troubled
less clear than the political situation. The prospects for an
ion of trade between Argentina and Europe are better than
vere, and the recent visit of Drs Remorino and C mez
s to Europe has sweetened a somewhat sour atmosphere:
e facts remain unchanged, and Argentina's importing
y has not increased. The possibility of assisting the develop-
of Argentina by contributing much-needed capital is a
onally attractive avenue for European investors, but the
ain state of the economy is regarded as something of a deter-
British capital interests, where it is contended that Argen-
s behaved none too well over certain expropriations and
nces. Consequently other nations, either lacking any dis-
ble past experience or else ignoring it, have been placing
aith in the theory that substantial investments should help
ilize the country's economy and enable it to fulfil some of
ny great promises that men of vision have seen in this ill-
ed but stupendously wealthy Republic.

S. A.

Politics and Economics in Czechoslovakia

The Tenth Congress of the Czechoslovak Communist Party

WHILE the latest Congress of the Czechoslovak Communist Party, which began on 11 June 1954 and lasted for five days, cannot be regarded as a turning point in the development of the Communist regime in Czechoslovakia, it does provide a useful opportunity for an examination of past policy and future prospects. This was the first major Party occasion since the deaths of Stalin and Gottwald and since the introduction of the so-called new course in economic policy. At the same time official spokesmen subjected the recently concluded First Five-Year Plan (1949–53) to detailed analysis. The major reports presented to the delegates covered all aspects of the country's political and economic life, thus giving a comparatively complete picture of trends and events.[1]

FOREIGN POLICY AND DEFENCE

The main political report, presented by Novotný, the First Secretary of the Central Committee, began with the customary endorsement of Soviet foreign policy. Many speakers, including N. S. Khrushchev, the head of the fraternal delegation sent by the Soviet Communist Party, stressed the danger of West German remilitarization, pointing out that friendship with Eastern Germany and the support of the U.S.S.R. alone represented a safeguard against a repetition of Czechoslovakia's catastrophic fate after Munich. Speaking about Munich and 1938, Khrushchev said: 'The rulers of capitalist States left Czechoslovakia at the mercy of the fascist beast. Only the U.S.S.R. remained faithful.'

General Čepička, Vice-Premier and Minister of Defence, assured the delegates that the new Czechoslovak Army was fully capable of playing its part in the defence of the country. He recalled that at the time of the Communist seizure of power in February 1948 the Army's loyalty to the working class had been doubtful owing to the influence of the large number of officers prepared to support the late Dr Beneš. In view of the extremely passive part played by

[1] Unless otherwise stated quotations and summaries of speeches and Congress reports are based on official versions published in *Rudé Právo*, 12 June 1954, et seq.

the Army in 1948 and of the refusal of leading officers to oppose the armed workers' militias which carried out the Communist coup six years ago, this was a significant admission for Čepička to make. He went on to say that since 1950 the political and military structure of the Army had been fundamentally changed 'in conformity with the needs of the defence of our Western frontier'. The social composition of the officers' corps had been transformed, and on 1 January 1954 the total percentage of serving officers from working people's families was 98·4. Soviet-type uniforms, weapons, regulations, and drill had been successfully introduced. Čepička praised the excellence of Czechoslovak armaments, describing them as 'far superior to the fighting equipment of capitalist armies'.

PARTY ORGANIZATION AND IDEOLOGICAL QUESTIONS

The condemnation of the 'cult of personalities' and the call for collective leadership, first voiced after the death of Stalin throughout the Communist world, were reiterated by Novotný in most emphatic terms. Changes in the Party Statute, approved by the Congress, abolished the Party Chairmanship, which had been vacant since Gottwald's death in March of last year. The Praesidium of the Central Committee, in theory the supreme policy-making body, has been abandoned in favour of a smaller Politbureau, which thus replaces both the personal authority of the former Party Chairman and the wider deliberative functions of the former Praesidium. President Zápotocký expressed the hope that this new arrangement would result in a more consistent application of the principle of collective leadership. The new Central Committee does not include Party leaders who spent the war years in the West: there were two[1] in the previous one.

Various heresies and deviations were denounced in general terms by a number of speakers. Novotný himself pointed out the alleged dangers of 'bourgeois nationalism' and Karol Bacílek, First Secretary of the Central Committee of the Slovak Communist Party, complained that the old problem of Czech-Slovak relationships had by no means been solved. He spoke of economic separatism in Slovakia and explained that, for instance, it was impossible to run the country's railways without central direction from Prague. His criticism of Slovak nationalism sounded like a repetition of arguments advanced by Czech politicians before the last war: Slovaks must not underestimate the Czech contribution to the

[1] Vaclav Nosek and Mrs Hodinová-Spurná

development of their country; they must not overvalue their own successes and must adopt a more tolerant attitude towards their fellow-citizens of Czech, Ukrainian, and Hungarian origin. Nationalist prejudices had been apparent in the tolerant attitude of the Slovak authorities towards 'illegal house-building, fraudulent conversion of building funds, and illegal slaughter of livestock, and in their frequent indulgence in stupid nationalist jokes'. The Central Committee of the Slovak Communist Party would have to face up to its responsibilities. It is noteworthy that a spectacular trial of a group of Slovak bourgeois nationalists took place a few weeks before the Congress, yet Bacílek deprecated the idea that the passing of sentence on Husák, Novomeský, and their associates would be the end of the matter. The Congress was followed by a further trial of a Slovak leader; this time it was a former Vice-Premier and fellow-travelling Chairman of the Revival Party, Dr Ševčík, who was sentenced to eighteen years.

Several speakers denounced what they called 'social-democratism', by which they apparently meant the advocacy of better wage conditions and less severe production norms regardless of labour productivity. It was pointed out that demands such as these had had their uses in the days of capitalist rule, but that in a socialist State better production results and improvements in labour productivity were the only means of reaching the desired goal. Novotný criticized the trade unions for their failure to support the introduction of new production techniques and to encourage the adoption of innovations submitted by rationalizers from among the workers themselves.

He also emphasized the importance of the ideological struggle against what he termed 'the remaining capitalist elements', 'who rely on the obstinacy of old reactionary opinions and who will never forgive us for having robbed them of power and expropriated them'. The kulaks were the last remaining capitalist property-owning group, and 'a policy of restriction and displacement' was being applied against them. So much for hopes of a more lenient policy associated with the so-called new course.

CULTURAL AND EDUCATIONAL QUESTIONS

Novotný had this to say about shortcomings in literature and art: 'As a result of the failure to understand the great social mission of the arts, certain trends towards liberalism have recently appeared in literature and art. Some artists avoid topical themes

others consider form more important than the content of
ork. Superficial sentimentality is being expressed in poetry,
is divorced from the masses.' Recent films had been guilty of
simplification' of current problems, and the most experi-
ilm producers tended to ignore topical themes and to con-
e on historical films. From Novotný's criticism it would
that it is considered safer to deal with the past than with
troversial present. Audiences, too, perhaps prefer films that
e the nation's historical achievements to cinematographic
ibout the advantages of collectivized agriculture or about
the lathe.

ecký, the Minister of Culture, followed up Novotný's re-
by calling on composers to produce really expressive and
r music rather than 'cantatas with an ideological context'.
ects, too, should emulate 'the magnificent architecture of
S.S.R.' instead of obeying 'purely constructivist principles'.
ký also complained that the aims of satirical writing had
iisunderstood. Party activities must never be the subject of
Not a shadow of insult or derision must be directed at our
s Party, which deserves to be honoured and loved. The
pplies to our People's Government.'

ing to the mistaken belief that the new life must necessarily
, Kopecký recalled that balls and dances had been officially
ged and expressed his appreciation of the high standard of
son's balls. 'This reminded us that the cultivation of fashion,
ile beauty and outward appearance, is a serious affair,' he

, the Minister of Education, deplored the examination
ds prevailing in the country's secondary schools, due
to 'the tendency of teachers and inspectors to assess the
f schools not so much by what the children learned, as by
ent of their extra-curricular activities, such as waste-paper
ons'. There had been too many changes in the syllabus and
books: 'the routine of school life must become more settled,
ither children nor teachers must be overworked.'

discussion of cultural and ideological questions at this Con-
was a projection of topics dealt with by the Central Com-
last December and added little that was new to the old
ints and criticisms. The main task of the Congress, accord-
he agenda, was to approve directives for next year's econo-
n and for a short-term plan of agricultural improvements.

However, it is significant that a not inconsiderable amount of time was devoted to impressing the 1,292 delegates from all parts of the country with the importance of the ideological struggle which must be won before ultimate success in the political and economic field can be achieved.

ECONOMIC POLICY

The policy of relaxation of industrialization[1] and of greater emphasis on the production of consumer goods, which has affected the whole Soviet bloc during the last twelve months, was first introduced in Czechoslovakia by a Government declaration of policy presented to the Czechoslovak National Assembly by Premier Široký on 15 September 1953. This declaration formed the basis of the 1954 Economic Plan, and its salient principles were acclaimed by many speakers at this Communist Party Congress. At the same time, however, it was made clear that the development of heavy industries would not be abandoned and that economic integration with the other Soviet bloc countries would continue to be pursued.

The main Economic Report at the Congress was submitted by Premier Široký who recalled last year's monetary reform which, as he said, had necessarily preceded the abolition of rationing and the series of price reductions carried out by the Government. He claimed that since the monetary reform real wages had risen by one-fifth,[2] while during the Five-Year Plan (1949–53) the national income had increased by 59 per cent.

The 1954 Plan, as outlined by Široký last September, had set aside 23,000 million Czechoslovak koruny for capital investment, thus maintaining it at approximately the 1953 level. In his Budget speech in the National Assembly last March, Finance Minister Ďuriš had announced that capital investment in agriculture would be double that of 1953, thus reducing the share of transport, building, and industry. At the Congress Široký informed the delegates that capital investments would be maintained at the 1954 level during 1955, thus virtually proclaiming a two-year period to

[1] An analysis of the earlier policy in favour of industrialization was given in 'Sovietization of the Czechoslovak Economy: The Effects in Industry', in *The World Today*, February 1953

[2] According to the U.N. *Economic Survey for Europe in 1953* (Geneva, 1954), the currency reform of June 1953 increased the cost of living by 32 per cent. The Survey states that subsequent price reductions brought real wages back to the 1950 level. No mention was made at the Congress of the riots which followed the currency reform.

be consecrated to industrial consolidation and agricultural development.

The problems of manpower and labour productivity, already mooted in the original announcement of a new economic course last September, were discussed at the Congress by Vice-Premier Dolanský, who explained at great length that the increase of production needed to improve the country's living standard could only be achieved by raising labour productivity since no great increase in manpower could be expected, particularly in view of Široký's demand for the addition of 320,000 workers to the agricultural labour force within the next three years. Dolanský declared that industry must rely on increased productivity to meet its tasks. During the Five-Year Plan productivity had risen by 62 per cent, so that three-quarters of the increase in industrial production had been accounted for by higher productivity and only one-quarter by added manpower. In 1955 increased productivity would have to account for as much as 86 per cent of the total planned production increase. According to Dolanský, women, particularly housewives, were the only untapped reserve of labour worth mentioning, and although women accounted for 35 per cent of the total labour force, more must be done to induce them to take up permanent employment.

Another way of raising the national income was to reduce production costs. It had been intended to reduce production costs by 2·3 per cent in 1954 and by 3 per cent in 1955, but Dolanský pointed out with regret that so far the rate of this year's reduction had been only 0·4 per cent. Excessive stock-piling of raw material on the part of many factories had contributed to this relative failure.

Several speakers stressed the intention of Czechoslovakia's planners to integrate the country's economy with that of the Soviet bloc as a whole. The next Czechoslovak long-term plan is due to begin in 1956, and the Congress therefore discussed only directives for 1955 and for the short-term development of agricultural production. Novotný spoke of the co-ordination of Soviet bloc economic plans as part of the work organized by the Council of Mutual Economic Assistance (usually described as 'Comecon' in the West). While declaring Czechoslovakia's desire to trade with all and sundry on a 'basis of equality', Novotný expressed his gratification at the fact that the share of the Soviet bloc in the volume of Czechoslovak foreign trade had increased from 32 per cent in

1948 to 78 per cent in 1953.[1] The total volume of foreign trade had increased by one-sixth during the Five-Year Plan.

INDUSTRY

Despite the fact that an immediate reduction of 16·1 per cent in capital investments in heavy industries had been decreed last September, heavy and basic industries played an important part in the economic deliberations of the Congress. Successes achieved during the Five-Year Plan were announced in Novotný's political report: the output of capital goods had increased by 18·7 per cent and of consumer goods by 79·8 per cent. At the same time the share of capital goods in the total volume of industrial production had grown from 57·6 per cent in 1948 to 62·3 per cent in 1953. At the moment, Novotný boasted, Czechoslovakia occupied the ninth place in the world in her output of hard coal per head of population and sixth place in the output of crude steel.[2] The engineering industry had more than tripled its output since 1948. Industrial production this year was to increase by 5·8 per cent as compared with last year, and by a further 9 per cent in 1955. The increase in the production of capital goods would be only slightly more than that of consumer goods.

The 1954 production targets aim at an increase of 4·5 per cent in the production of steel and 8·5 per cent in that of coal in comparison with last year. The economic directives for 1955 issued by the Congress call for increases of 5 per cent in the output of coal, thus emphasizing the fundamental importance of mining. A Conference of leading miners was held within a month of the Congress; tasks were discussed, and President Zápotocký announced that coal production targets for the first half of this year had been fulfilled. He also stated that the average earnings of hard coal miners had risen by 88·3 per cent and of brown coal miners by 58·9 per cent since 1948.[3] This last statement should be judged in conjunction with the fact that production costs have increased

[1] In his Budget speech last March Finance Minister Ďuriš stated that Czechoslovak trade with the Soviet bloc had increased by 207 per cent between 1948 and 1953 and that trade with the capitalist world over the same period had fallen off by 61 per cent. (*Rudé Právo*, 10 March 1954.)

[2] The U.N. *Economic Survey of Europe in 1953* gives the following production figures:

Czechoslovak production in	*1948*	*1953*	*planned for 1953*
hard and brown coal (in million tons)	41·3	54·5	63·6
electricity (in million MWh)	7·5	12·9	12·3
crude steel (in million tons)	2·7	4·6	4·3

[3] *Rudé Právo*, 4 July 1954.

6 per cent for hard coal and by 8·2 per cent for brown coal 950.[1]

ıier Široký, who discussed future prospects rather than past ıes and failures, warned the Congress that coal supplies not be sufficient even if the mining industry were to imple-ts targets. The mines could not expect more manpower, isting resources must be used to better advantage. The ıment has tried to solve the power problem by the construc- a number of ambitious hydroelectrical installations, parti- on the river Vltava in Central Bohemia and the river Váh akia. This really tremendous achievement, however, repre-ıly a partial solution as both these rivers freeze up during the Široký therefore stressed that reductions in the consump- fuel and power were needed. So far this year fuel consump-ırms had been greatly exceeded, and this was a bad omen t year when a 10 per cent cut in fuel consumption must be l. Much had been done to increase the output of electricity. ıtput of power stations had been tripled as compared with 1937, and a further increase of 11 per cent was planned for

ıing to other sectors of industry, Široký criticized engineer-tories for their 'recurring failure to produce machinery for key industries' and also described the transport system chief bottleneck of our economy'. 'The winter frosts found ways in a state of complete unpreparedness and a stoppage ıitous dimensions was the result. Both passenger and goods ıre running late and this is accepted as a regular phen-ı,' Široký said. He urged all transport workers to give of ɜst to improve this state of affairs.

Premier also recalled that last year's Government directive ;ed improvements in the supply of consumer goods and in vision of various services such as catering. In reality only mprovements had been effected, particularly as to the of consumer goods offered to the public. More attention also be devoted to housing: during the Five-Year Plan ı housing units had been completed, and another 40,000 ould be added this year and 48,000 next year. In addition, te was prepared to support workers who wanted to build

Právo, 21 March 1954.

rding to *Rudé Právo* (8 June 1954), power station breakdowns in 1953 ɔower output by 16·3 per cent.

their own houses by granting mortgages on generous terms.

AGRICULTURE

The greater part of Široký's economic report was devoted to agriculture, and this must indeed be regarded as the major problem, both economic and political, now facing the Communist regime in Czechoslovakia.[1] Much has been achieved in industry, but the level of agricultural production has been consistently low, forcing the country to import large quantities of food from the U.S.S.R. By comparison with 1952 last year's imports of butter increased by 15 per cent, of meat by 73 per cent, and of fats by 145 per cent. The United Nations *Economic Survey for Europe in 1953* gives the following statistics on Czechoslovak agricultural production:

(in million tons for grain, million head for livestock, thousands of litres per cow for milk yields)

	1937	*1948*	*1949*	*1950*	*1951*	*1952*
bread grain	3·1	2 5	2 8	2 6	2·7	2·8
coarse grain	2·3	1·9	2·1	2 0	2·1	2·2
pigs	3 5	3·2	4 1	3 8	4·2	4·6
cattle	4 7	3·7	4 2	4 3	4·3	4·3
milk yields	1 9	1·2	1 3	1 4	1·5	1 6

Široký admitted that pre-war yields of potatoes, flax, and sugar beet had not yet been reached and that the total area sown had decreased by more than 10,000 hectares[2] since 1937. While the production of pork had been increased, that of beef was far below target. Milk yields were also insufficient.

Široký's explanation for the failure of agriculture to keep pace with the nation's economic development as a whole was a repetition of the old complaint that mechanization had not been applied in a manner which would enable it to overcome the shortage of labour in agriculture. He failed to say that this shortage of labour had been originally caused by the heavy industrialization programme, and his call for 320,000 more workers in agriculture by 1957[3] and for more tractors did not go to the root of the matter, which lies in the political opposition of the countryside to the Government's past agricultural policy. Collectivization had been pushed too hard in 1952, and last year a halt was called: this has been admitted by official spokesmen on several occasions, and in particular by Široký

[1] An account of the collectivization drive and of long-standing agricultural problems was given in 'Sovietization of the Czechoslovak Economy: The Effects in Agriculture', in *The World Today*, April 1953.

[2] 1 hectare equals 2·471 acres.

[3] Mainly intended for the under-populated areas formerly inhabited by the Sudeten German minority.

himself when he presented the 1954 economic programme last September. Last summer President Zápotocký told farmers that they could leave collective farms to return to private farming, but more than 33 per cent of the national total of arable land is now tilled by collective farms, too many of which have failed to function properly.

At the recent Congress Novotný ascribed the failure of some collective farms, or co-operatives as the regime prefers to call them, to the pressure put on farmers to join them. Persuasion is now to be the method adopted, and in future, according to Široký, 'co-operatives will be established only where conditions are suitable and where small and medium farmers have been convinced of the advantages of co-operative farming.' In the meantime, he added, the benefits hitherto confined to State farms and co-operatives would be extended to the farming community as a whole, and State tractor stations had been instructed to help private farmers whenever possible. The tractor stations had so far failed to make proper use of their equipment, chiefly owing to 'the low political and professional standard of those in charge', Široký informed the Congress.[1] Co-operative farms would be granted extended credits to enable them to put their activities on a solid foundation.[2]

In this way Široký hoped that the directives given to agriculture by the Congress would be fulfilled: by 1957 average yields must be raised as follows: wheat by 12 per cent, rye 10 per cent, potatoes 15 per cent, sugar beet 18 per cent, flax 29 per cent, and hops 26 per cent. Compared with 1953 meat production must go up by 26 per cent by 1957. Within this general increase the production of pork and lard must be increased by 51 per cent. Milk yields must go up by 31 per cent.[3]

CONCLUSION

The Czechoslovak economy certainly made considerable progress during the Five-Year Plan: coal mining and agriculture were the only really unsatisfactory sectors. It remains to be seen whether

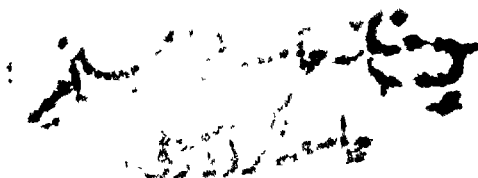
[1] Last December Uher, the Minister of Agriculture, told the Party's Central Committee that not a single manager of a tractor station had received a higher education and that only 3·5 per cent of managers had attended secondary schools.

[2] The 1954 Budget allotted 1,600 million koruny for co-operative farm credits: an increase of 142 per cent over 1953.

[3] This year's harvest and haymaking have been severely affected by adverse weather conditions, and in particular by last month's Danube floods which did considerable damage in the grain-growing area round Bratislava.

the agricultural policy announced at the Congress will be a success; food production is obviously the key to the consumer goods drive. A relaxation of the political pressure against the private farmers and a continuation of the policy of raising bulk buying prices may well bring about an improvement in agricultural deliveries. The policy of switching thousands of workers to agriculture, previously applied in other critical sectors such as coal mining, represents a doubtful expedient as their absence will be felt elsewhere. The truth is, as the Czechoslovak planners have realized, that the Czechoslovak economy has been overextended since 1951 when the revised Five-Year Plan targets were adopted. It is true that capital investments in heavy industry have been reduced, but it has been found impossible to reduce production, probably because of commitments towards the U.S.S.R. There is therefore the possibility that the equipment of the heavy industries will be overstrained and indeed obsolescent by the time the next long-term plan is due to begin. The so-called new course is really only an attempt to maintain the existing *status quo* in industry while striving to improve the situation in agriculture, but the economy of a nation cannot be developed by leaps and bounds, and the Communist planners in Czechoslovakia are finding out that it is much more difficult to restore the economic balance than to disrupt it. They are suffering from the additional disadvantage of having to wage an ideological struggle at the same time. On the other hand it would be a mistake to ignore their achievements, and given time they may well win through, particularly if they succeed in making the young people of Czechoslovakia believe that the difficulties of the present are merely a prelude to the prosperity of the future.

J. A.

PRINTED IN GREAT BRITAIN AT THE BROADWATER PRESS, WELWYN GARDEN CITY, HERTFORDSHIRE

THE WORLD TODAY

Volume 10 *No.* 9 *September* 1954

*

Notes of the Month

The Treaty of Bled and Eastern Mediterranean Developments

THE last few weeks have seen some remarkable developments in what used to be called the Near East. The most spectacular has certainly been the initialing by the United Kingdom and Egypt of the Heads of Agreement. Hardly less noteworthy has been the conclusion of the three-year dispute with Persia over the Anglo-Iranian Oil Company. A third event which is potentially as important, even if it has received far less attention in the British press, is the tripartite alliance signed at Bled on 9 August between Greece, Turkey, and Yugoslavia.

The purpose of this agreement is to convert into a formal alliance the 'treaty of friendship and collaboration' concluded between the three countries at Ankara on 28 February 1953. The main provisions of the alliance follow closely those of the Ankara treaty. The three countries have now formally agreed that an act of aggression against any one of them shall be considered as an aggression against all three, and that in such an event the others will immediately go to the assistance of the victim, in accordance with Article 51 of the United Nations Charter. With this end in view the contracting parties will consult together on the measures which should be taken, and in the meantime a permanent council of ministers of the three countries has been set up and arrangements have been made for the staff conversations provided for in the treaty to be continued. It is expressly laid down by the alliance that its provisions will not conflict with the rights and obligations assumed by all three countries under the Charter of the United Nations, and by Greece and Turkey under the North Atlantic Treaty. The tripartite alliance, concluded for a period of twenty years, is open to the adherence of any other country.

Neither Greece nor Turkey was a founder member of the North Atlantic Treaty Organization, to which they were not admitted

until the autumn of 1951. Yugoslavia is not, and may n
member of that body. But all three have accepted substan
economic and above all military—from the West, particul
the United States; and all three have in common a most i
attitude of mind—fear of the Soviets. The Turks have
dating back for several centuries of resistance to Russian
ism. The Greeks believe that in the last eleven years th
have three times attempted to convert their country int
munist State. And since Marshal Tito's expulsion from th
form six years ago for the crime of nationalist deviatio
antagonism of the Yugoslav Communist to the Soviets h
increased and has become flavoured with the bitterne
apostate—a bitterness which is strong enough to hide in
both the admiration formerly felt by the South Slavs for
sians and the policy pursued in the Greek guerrilla rebelli
for two years Tito helped the Greek Communists to figl
his new allies. Behind the tripartite alliance there is the
assurance of material support from the West and an overv
weight of public opinion in each of the three countries cc

To the defence of the West the alliance makes a most i
contribution by bringing many vital areas such as the Eas
Coast, the mountains of Serbia, and the valleys of the Va
the Morava into the zone which Western planners may nc
as friendly. It is true that as Yugoslavia is not a m
N.A.T.O. it cannot be assumed that their plans will be
to cover Yugoslav territory, and this may well cause som
cation. But there is force in the Arab proverb that 'the
my friend is my friend', even if the relationship is not de
formal agreement. The fact is that the dispute between Y
and Italy over Trieste, now it is to be hoped nearing se
has been a serious obstacle to the admission of Yugosl
N.A.T.O. Indeed there is evidence that the current pha
negotiations over the dispute was among the factors which
for some days the signing of the present alliance. On
hand it is perhaps a hopeful sign that the possibility of an a
between the Greeks and the Turks over the Turkish mi
Cyprus has not been allowed to interfere with these arran

What is perhaps as important to the defence of the
the precedent this alliance may set for the countries of th
East. For the formula embodied in the Treaty of Bled has
a country which has serious differences with a member of N

to enter—even if it is by the back door—the system of Western defence for which N.A.T.O. was created. The Anglo-Egyptian arrangements and the settlement of the Anglo-Persian dispute have removed some of the differences between this country and the Middle East, but many of the old antagonisms remain. It may well be that these antagonisms will still deter the countries of the Middle East from creating a Middle East defence organization linked to N.A.T.O. But there might not be the same objections to their adherence to a pact such as the Bled Alliance which would give them most of the benefits of association with the West without necessarily involving them in what they consider to be the disadvantages. The recent agreement between Turkey and Pakistan points the way in this direction, and there is little doubt that Iraq might have followed the lead of Pakistan but for Egypt's insistence that by so doing Iraq would weaken Arab solidarity on the Anglo-Egyptian dispute. Now that this objection is no longer valid, the Arab States and perhaps Persia too are surely free to reconsider their position. If so they may find the Treaty of Bled a useful study.

Home Rule for Tunisia

By applying shock treatment to the feverish condition of Tunisia M. Mendès-France, the French Prime Minister, has at least obtained a lowering of the political temperature in the Protectorate and a state of relative calm in which it has again become possible to think and act on rational lines.

When M. Robert Schuman, in 1950, announced that the aim of French policy was internal autonomy for Tunisia a similar *détente* resulted; only it was short-lived. The Resident-General in Tunis was instructed to take measures which, by stages, would achieve Home Rule, and some months later reforms were enacted by decree which extended Tunisian participation in the government and the administration of the Regency and prepared the way for elected representation in local government, based on a general adult franchise, including French residents. Further reforms were promised; but the Tunisian nationalists, besides refusing French nationals the right to vote, found the pace of the reforms much too slow, while the French settlers were able to obstruct the movement towards autonomy in the country itself as well as in the French Parliament. Passive and later active resistance and terrorism on both sides soon made any progress in self-government impossible.

Nothing short of a dramatic impact upon public opinion could

break this deadlock, and M. Mendès-France's success has been due not only to his revival of an old policy, but also to the immediate steps which he took to implement it. On 30 July the French Cabinet approved the programme of reforms for Tunis, and on 31 July M. Mendès-France himself flew to Tunis to announce them. He promised autonomy, not in the future, but now; he invited the Bey of Tunis to form a Cabinet—not the Resident-General to find Tunisians who would serve as Ministers; he made his declaration in Tunis, not in France; and he had at his side Marshall Juin, by birth a French North African and noted opponent of Arab nationalism, and M. Fouchet, the Gaullist Minister for the North African Protectorates, both men whose names were calculated to appease the alarm which was bound to spread among the French residents in Tunisia and the whole of North Africa upon publication of the Prime Minister's speech. For the most significant aspect of the new turn of events in Tunisia is to be found in the quiet burial of the 'co-sovereignty' idea.

The French settlers' vote in local (municipal and caidal) elected assemblies and their insistence on seats in any future Tunisian Parliament had met all along with violent nationalist opposition both in Tunisia and in Morocco, where this policy was officially adopted last year. M. Mendès-France now made it clear that by inviting the new Tunisian Government to work out a democratic Constitution—the Bey is still an autocratic ruler—he was waiving the settlers' claim to share political responsibility and to be represented in proportion to their undoubtedly preponderant contribution towards Tunisian economic and social well-being.

On the other hand, far from abandoning the French and other European inhabitants of Tunisia, M. Mendès-France reinforced the garrison, made the military commander, General Boyer de la Tour, Resident-General, and announced that France stood on her rights under the Protectorate treaties of the Bardo (1881) and La Marsa (1883), which reserve control over foreign relations and defence to the Resident-General. He made it clear that no measures leading to self-government could be taken until binding conventions had been concluded which would protect the rights and property of French settlers, guarantee the status of French civil servants, safeguard French schools and institutes, regulate questions of currency and finance, and establish French, Tunisian, and Mixed Arbitration courts to deal with disputes arising between any possible combination of parties seeking redress. Even if these

ntions are signed in good faith the settlers will feel keenly
ss of their prospect of exercising political rights in a country
, with much justification, most of them regard as their own.
onder they speak of 'le protectorat à l'envers', the protectorate
d inside out, since they will be expected to live as a protected
ity where once they were in the ascendant.
s a sign of its political maturity that the Neo-Destour, by far
rongest party, is acting with caution. M. Habib Bourguiba,
rty leader who is still exiled and lives in France, was at once
lted by his principal followers and as a result the new
try—which, until the conventions are signed, contains, in
on to the Secretary-General of the Protectorate, the three
h Directors of Finance, Public Works, and Education—
les only four Neo-Destourians, while one place has gone to a
list, and five Independents occupy the rest. M. Tahar ben
ar, the Prime Minister, who is responsible to the Bey alone,
Independent himself and has the reputation of being a
e promoter of Franco-Tunisian understanding. So, in vary-
grees, have most of his colleagues. The Neo-Destour, how-
appears to prefer an attitude of wait-and-see. In the first
of pleasure over M. Mendès-France's action M. Bourguiba
nced that he welcomed the French proposals as a stage on
oad to independence. Challenged at once to say whether
ng short of full sovereignty and independence from France
his and his party's ultimate aims, he replied that in his view
was little difference between independence and internal
omy; that geographical facts were inescapable; that few
could nowadays maintain complete independence; and that
e and Tunisia should together strive to build up a 'régime de
tion réciproque et equilibré', for the sake of international
eration and in the interests of both peoples.
l a freely elected Tunisian Assembly accept conventions and
stitution drafted by the Bey's Cabinet in collaboration with
esident-General? Will it not want to turn itself into a Con-
nt Assembly and sweep away treaties and agreements? Will
demand control over foreign relations and defence and ask
seat in the United Nations? These questions are being
usly debated among the French settlers all over North Africa
heir friends in France.

Cyprus: The Closed Issue?

THE Greek work 'enosis' means 'union' but, although plumbers do use it à propos of joining pipes, its most common use in this British Colony in newspapers, municipal election speeches, sermons, and on walls is to mean 'Union with Greece', and it usually appears in capitals. Not a day passes, not a day has passed for years, without Enosis being demanded in newspaper leader or speech or both. The constant cry is for Liberty, for an End to Tyranny, for Unflagging Effort in the National Struggle. Reading these—and excerpts are daily published in the only English language newspaper—a visitor might think that the island was on the point of a political explosion. Yet the atmosphere is calm, the people are friendly, there are no anti-British demonstrations. Political meetings or processions are conducted quietly in accordance with British rules, with prior leave of Government and with police supervision. The Greek flag is freely flown, is indeed far more in evidence than the Union Jack. It is a curious situation: on the one hand Enosis, 'The National Aspiration', is a part of the life of all Greek Cypriots, at once untiringly demanded and taken for granted; on the other hand there is no Enosis question, for the attitude of the British and the Cyprus Governments has for long been clear: 'no change in the sovereignty of the island is contemplated', 'the matter is closed.' It is a curious situation, and a dangerous one.

The case for Enosis which is put to the world by the Cypriot Enosist leaders, and latterly by Greece, is that Cyprus is a Greek island of which four-fifths of the population are Greeks who yearn for Enosis. Greece acknowledges the strategic importance of the island and offers to guarantee the use of bases for the Atlantic Alliance. (The Cypriot leaders prefer not to commit themselves about bases, indeed they now complain of the island being turned into an armed camp by the British.) Greece further offers to respect, if necessary by international agreement, the Turkish minority. This over-simplified argument is the only one which is heard, for Great Britain refuses to discuss the question.

The island today has a population estimated at 511,000 (the last census in 1946 gave a total of 450,000). Of this number 80·7 per cent are Greek, 17·6 per cent Turkish, and 1·7 per cent are officially described as 'Others', that is, Armenians, Jews, Maronites, and English. The main religion is therefore Greek Orthodox, the

rus Church being autocephalous and headed by an Arch-
op. The Turkish Cypriot community is Moslem.
he Government since 1931 has been carried on by a Governor,
sed by an Executive Council, part Cypriot, part English,
posed of ex-officio and appointed members, and legislation is
lemented by the Secretariat and by six District Commission-
The Heads of Department and Commissioners are usually
lish, most of the other Government posts being held by
riots, Greek or Turk roughly in proportion to their numbers
he island. Salaries of all officials are paid out of the Cyprus
get, which normally has a surplus. Local town government is
ducted by elected Mayors and Municipal Councillors, some of
r decisions being subject to approval by the District Com-
sioners. There is no military service. In the last war a Cyprus
iment was formed and achieved an excellent record. It was
anded in 1948. The island is not self-supporting, its main
orts being barley and wheat. It exports carob, buttons, fruit,
e and spirits, potatoes, wheat, tobacco, copper, silk, asbestos,
chrome. About three-quarters of the population are engaged in
culture and live in villages.
he Cypriot has never been his own master. The colonists from
te and Mycenae in the second millenium B.C. were followed by
raohs, Persians, Macedonians, Ptolemies, Romans, the Byzan-
Empire, Crusaders, Venetians, Turks, and British. In 1878,
r having been a Turkish province for three hundred years, the
nd was occupied by Great Britain under the terms of a Con-
tion with Turkey, the object of the occupation being to protect
Suez Canal and help Turkey keep Russia out of the Mediter-
ean. In 1914 Cyprus was annexed by Great Britain and British
onality was conferred on all Ottoman subjects resident in the
nd. In 1915 Britain offered Cyprus to Greece as an induce-
nt for her to enter the war. The offer was refused. In 1925
rus became a Crown Colony. Throughout all these foreign
ninations the Cypriot has retained a remarkable degree of
viduality, and it has been argued that his claims to 'Greekness'
unfounded and that he has no particular reason to join with
ece. But in considering the Enosis question such an argument
ointless, for the fact is that whatever his origin the Greek
riot speaks Greek, worships in the Greek Orthodox faith, and,
ther passionately or indifferently, thinks of himself as Greek.
he Enosis movement began in the middle of the nineteenth

century when, following reforms in the Ottoman Empire, the bishops of Cyprus grew powerful. It was the bishops who in 1878 greeted the occupying British with a demand for Union with Greece. Under the Ottoman Empire the leaders of the Orthodox Church were the natural representatives of their Christian flock, indeed the only possible ones, and the Archbishop of Cyprus had a *firman* from the Sultan appointing him as spokesman for the Christians in the island. The Church has continued to preach and lead the Enosis movement ever since, and to be utterly uncompromising on the subject, their slogan being 'Enosis, Enosis, and only Enosis'. The Church claim is very simple: Enosis is Right, the present regime is Wrong; the Cypriot is Greek in language, religion, and feeling and his natural country is Greece. The lay leaders of the movement refer to the ideals of the United Nations, to the principle of the self-determination of peoples. And there is much talk of the enslavement of the island, the foreign tyrant, the fight for freedom, the glories of Mother Greece. Nearly every administrative action of the Government, from a rise in telephone charges to the provision of a unified electrical grid system, is twisted to their political advantage. It is understandable that a people which has undergone so much rule by outsiders in its history, which has always felt itself to be orphaned, should yearn to belong to somebody The waving of the Greek flag, the gazing toward the ancient violet-crowned city of Athens as to their spiritual home, has, apart from the deep historical appeal, the common attraction of waving the wrong flag, of being 'agin the Government'. And these emotional appeals are much stronger because emotionally the alternative is a vacuum.

The British Administration has been just and reasonably efficient, painstaking but hardly inspiring. As a result of British rule the island has enormously benefited. The policy is eventual self-government, and the administrators have a genuine regard for the welfare of the people. The Cypriot may respect the British, he may like him, but he does not love him. A report of the Forestry Department showing the excellent work achieved in the conservation and development of the forests, the control of erosion, and the training of foresters cannot compete emotionally with the thrill of inscribing your name on the Scroll of Freedom; the story of the elimination of the malarial mosquito or of the modern vans which bring free dentistry to the villages has no chance against the impassioned call to shed your blood (which you know

to be an unlikely necessity) in the Eternal Struggle against Enslave-ment. All that the British will say on the subject which the Cypri so enjoys discussing is that it is not for discussion; and they som times add that the island is of strategic importance. The form observation must be exasperating, the latter at best unnerving.

It is, indeed, most regrettable that in their seventy-six years i the island the British have made so slight an attempt to appeal t the inhabitants or to capture their thoughts. In 1881 the Secreta of State for the Colonies disagreed with a proposal of the Hig Commissioner that English should be the language used in th schools in substitution for Greek and Turkish. So the schoo were left in the hands of local committees, and today the Gree Gymnasia are run as Greek schools with text-books sent fro Athens, the students working to pass examinations approved b the Greek Ministry of Education. It is true that the elementar schools are controlled directly by Government, and the extren Enosist will say that less Greek and more English is being taugl and an attempt being made to capture the minds of the very youn Yet it is a not uncommon sight to see those very young startin their school day by standing round a flag-staff from which flutte the Greek flag and singing a patriotic Greek song. In 1950 a min uproar was caused and cries of 'Tyranny' were heard because th Government, before issue to schools, tore a page from every cop of a new consignment of history books which had just arrived fro Athens. The page had on one side a map showing Cyprus as pa of Greece and on the other an inflammatory poem called 'Cypri Irredenta'. Several teachers wrote to protest, with copies to th press, to their 'Chief', the Greek Minister of Education. Ha Britain originally taken over the schools and established a Un versity it may well be that by now Cypriots would be growing u speaking English and feeling—together with perhaps a sentiment pride in their Greek connection—that they were a part of th British Commonwealth.

Little has been done in other fields to win the Cypriot: th word 'propaganda', it would seem, has a vulgar ring to most Britis officials everywhere. Hardly any effort has been made to sell th idea of membership of the Commonwealth, and even the reportin of material achievement in the island usually takes the form annual Government reports, with the result that the Cypriot ten to ignore or take for granted the positive achievements and on remember the failures or omissions. His own propagandists a

ever on the alert to emphasize these latter and to offer Enosis as a panacea for every grievance. In the past, too, the attitude of many British officials must have done positive harm on the emotional side: such trivial matters as the non-election of Cypriots to English clubs, infrequent invitations to English homes, arrogant behaviour of an official or of his wife could set up a spreading resentment. Social or personal slights, real or fancied, can be long cherished and can influence political action.

The Enosis question is often divided into emotional and material by those individuals who unofficially seek to combat the demand. 'We understand that you want Union with Greece with your heart, but surely your head tells you otherwise.' The advantages of being in the Commonwealth are then enumerated: the high standard of living compared with that in a Greek island, membership of the sterling area, the honest and sound administration of the island, its protection in time of war (in two world wars Cyprus was an unreally peaceful haven), the large numbers of Cypriots (18,000 in Britain) who have prospered in Commonwealth countries. These advantages seem overwhelming, particularly to anybody who knows something of the terrible difficulties, financial and political, with which the Government of Greece has had to contend throughout recent years.

The materialist comes up against two kinds of answer, the irrealistic and the fanatical. Two instances will illustrate the former. A Cypriot official in a good pensionable Government post admitted privately to an English friend that he was in favour of Enosis. When the Englishman pointed out, amongst other things, that if he retained his job under Greece his salary in drachmas would certainly buy him less, his reply was, 'Oh, but after Enosis the British Government would make up our salaries.' Again, two business men encountered on a business trip, when asked if they did not find sterling and a British passport advantageous, replied, 'Oh, but after Enosis we should have a British passport as well as a Greek one and use when we wished the sterling area.'

The fanatical Enosist answers the material argument by stating flatly that Cyprus in every way has everything to gain by joining Greece. He cites a long list of things which the present Government has *not* done for the island and believes that a Greek Government in Athens would accomplish these things and more; he instances bureaucratic delays and believes that they do not exist in Greece; he maintains that being tied to sterling is a hindrance

rade and believes that the businessman, freed from incompre-
sible Government restrictions, would prosper more; he denies
advantage to the Cypriot in having the Commonwealth open
iim because he says his mentality is too different from that of
peoples to let him feel at home in it; and on the offered Consti-
on he says, 'If an autocratic Governor cannot get things done,
y should a collection of Greeks, Turks, and Armenians succeed,
o would have eternally to discuss everything before acting?'
Cyprus has in the past had a Constitution with a Legislative
embly composed of Members who were partly elected, partly
ointed. In theory it was to enable Cypriots to progress toward
iplete self-government, but in practice the Greek Members
ded always to be outvoted by a combination of the appointed
mbers and the non-Greek Members. In 1931 Enosis agitations
to rioting which got out of control and culminated in the burn-
of Government House. The Constitution was suspended. Con-
itions have since been offered to the island and have hitherto
ays been rejected: the Enosist argues that acceptance of the
istitution is acceptance of the regime and that it would lead not
greater degree of self-government but to a postponement of
National Aspiration. The latest offer of a Constitution was
le on 28 July last, when Mr Hopkinson, Minister of State for
onial Affairs, announced in the House of Commons the
vernment's decision to introduce in the near future a modified
istitution for Cyprus providing for a legislature containing both
cial and nominated and elected Members. He then recalled that
previous offer of a Constitution, made in 1948, had remained
n for six years without being taken up by Cypriot political
ders, and he reaffirmed that no change in the sovereignty of
prus could be contemplated. It is still too early to predict the
come of this latest move, which in the first instance aroused a
e of protests among Nationalists and Communists, leading to
enforcement of the existing Anti-Sedition Law.
The view of the Turkish minority is easily stated. They are
ngly against the union of the island with Greece and believe
were the British to go Cyprus should revert to Turkey. It
ild, they feel, be a breach of trust on the part of Great Britain
ards the Cypriot Turks to allow union with Greece, and they
icize the Government for not suppressing or at least controlling
Enosis movement and its constant propaganda. Although they
our the continuance of the present regime they have complaints

of it, notably as to Government interference in the administration of their religious properties and funds and as to the distribution of key posts in the Government service as between Greeks and Turks. They even maintain that so many posts are held by Greeks that these officials 'can lead the British by the nose'. As for the Constitution, the Turkish leaders are against it unless it contains strong safeguards to prevent their minority being swamped by the Greeks. They believe that the Greeks are not in favour of a Constitution not only because acceptance of one would be a compromise with the demand for Enosis but also because they do not really need it, having through their Government officials enough influence as it is. This fear about the key posts in the Government is much exaggerated, but the fact that the Turks express it gives an idea of the underlying distrust of the Greeks which they feel. The Turkish Cypriot feels strongly that both historically and geographically the island is linked to Turkey. Delegations have been to Turkey to inform the Turkish Government of their fears, and they promise that if the British accede to the demand for Enosis they will formally ask the Turkish Government to intervene. The Turkish Government has so far not officially committed itself save to say that because of the large Turkish minority in the island it has an interest in any change in the island's sovereignty. The voice of the Cypriot Turk, however, is seldom heard except in Turkish in the island and in Turkey.

The Communists add a further complication. They claim a huge following, but a reasonable estimate of their number is around 20 per cent of the total population. Of these about 200 are Party members. The Communists, with a few individual exceptions, are all Greeks, and include the Mayors of three large towns and several small ones. The Communists cry for Enosis. This demand at first would seem absurd since they obviously have everything to lose by Enosis, the tyrannical and imperialist British being far more lenient with Communists than the Greeks. The obvious, however, is often not evident to Communist followers. Presumably taking their line from Moscow, they see in the agitation for Enosis an opportunity to cause strife between three N.A.T.O. countries, Great Britain, Greece, and Turkey. If the agitation passed from speeches and newspaper articles to active disturbances the Communists could be counted upon to inflame them.

To find out what is said in Cyprus about Enosis is easy enough: to find out what individual Cypriots think about it is not so easy.

ey often say one thing in public and another in private, and y consider that good manners oblige them to tell you what they nk you want or expect to hear. In January 1950 the Church and Communists combined to organize a plebiscite; the result, ich was much publicized, showed a large majority for Enosis. e fact was not, however, publicized that the voting was not ret and that therefore by normal Western standards the plebi- .e was not valid. A common English view is that the people cry osis because they always have, because everybody else does, :ause it's fun to have something to shout about; but that they not really want it and would be shocked if it were suddenly :red. This view is probably a little too comfortable. The Church l the political leaders are fully committed. Guesses could be de about the real feelings of other groups: the rich business men probably against it; Greeks in Government service may well content enough as they are; it may be that the coming genera- ı, although they march in processions on occasion, are not :ply interested in Enosis and that it is kept going by the middle- d who continue their demand from habit, owing to unexamined judices and because politically they cannot afford to stop. Yet danger is that all Greek Cypriots have grown up with the dy and unanswered claims of their Enosist leaders constantly heir ears; it is difficult for anybody to appreciate the good solid ad which he is eating when meat of impossible juiciness is for r being dangled just out of reach.

Such speculations might have been a harmless exercise while island continued on its placid way toward self-government and haps toward the gradual burning out of the Enosis demand in face of increasing prosperity and British official ignorance of issue. But in the last year, in the last few months, the pace has ckened. Greece, who hitherto had kept discreet silence on the tter, has come into the dispute There have been enough nonstrations in Greece in favour of Enosis for the Greek Prime nister to say that his people demand that he take action. Great tain refuses to discuss the matter with Greece, and on 20 August latter formally submitted an appeal on the issue of Cyprus to Secretary-General of the United Nations.

'he British answer to Greek claims could be a strong one. prus is a British Colony and no other nation has a right to ude into its affairs; neither historically nor legally has Greece valid claim to Cyprus: with Suez going and the Sudan gone

Great Britain would weaken her whole Middle East position if she left Cyprus, and both for her own sake and for the sake of the Atlantic Alliance she should stay; Turkey is strongly against Enosis, and a change in the sovereignty of the island would almost certainly jeopardize the Balkan Pact. Self-government has been offered and the offer has just been renewed. And it might be added that if there is any meaning in Britain's trusteeship of her colonies and if she believes that all Cypriots, let alone the large non-Greek minority, would not be better off with Greece, she should at least make every effort to ensure that they really understand the true situation.

In this placid, prosperous, and protected island it is easy to ignore the pressures of world events, and yet there is sometimes an uneasy sense of impending tragedy. The Enosist leaders, and now perhaps the Greek Government, have gone too far to draw back. Great Britain's policy of silence has been damaging and puts her ever more on the defensive; and her traditional friendship with Greece is in jeopardy. The danger is that if Enosis should be forced upon her, friends of Britain will say once more that she has let them down, and many others, after the flush of flag-waving has passed and disillusionment has come, will turn in reproach on their self-appointed mentors and blame them for not having been better ones. As paternal Government goes quietly about its business, officially ignoring that there is any political question and unofficially admitting that it is a bit of a nuisance, the Enosis Movement, which one sometimes feels now rumbles on by its own inertia, approaches a wider stage, and one is tempted uneasily to wonder if those words which have so often appeared in Great Britain's history, 'too late', may not again have already been written into the script.

G. C. W.

sident Eisenhower's Programme and the Congressional Campaign

NG the final weeks of its second session the Eighty-third ress, taking the President's advice that 'the best way to win an on is by performance not by promises', at last got down to on his legislative programme. After wasting months mainly strating the President, both Senate and House of Representa- suddenly became unusually responsive to his recommenda- and the final result is, on the whole, a record as constructive t of any recent Congress, if not more so.

e credit for this goes largely to the increasing skill of the lent and his advisers in applying political pressure. They have it particularly profitable to remind members of Congress ley could not expect the President's help in their constituencies vember if they did not help him in Washington in July. For blican Senators and Representatives are remembering with hension that when they were elected two years ago their appeared on ballot papers headed by another name— nower—which drew support from far beyond their party. so, the Republicans only won control of Congress by the west margin. A turnover of three seats in the House of sentatives and of one in the Senate on 2 November next would le Democrats a majority. All of the 435 seats in the House are e, and 37 of the 96 Senate seats; there are two Senators from tate, elected for six-year terms by all the voters in the state. of the Senate seats are considered safe for the Republicans welve for the Democrats, leaving eighteen more or less close its on which the final outcome depends.

s doubtful whether, once the campaign has actually opened, lent Eisenhower will in fact refuse his support to Republican lates who are not in sympathy with his views, and thus risk blamed for the loss of the election by his party. But the that he may do so has helped him to win several congression- ories, notably on the controversial farm Bill, where he was ed by many members of his own party. In fact the narrow- nd lack of solidarity of the Republican majority in Congress eant that the President has regularly had to rely on Demo- votes for the passage of most of his legislative requests— of which the Democrats will undoubtedly be reminding the

electorate. For not only may such a reminder enable them to ca
in on some of the President's popularity, but it will also reinfoı
their argument that the Republican party is so divided with
itself, between its conservative and liberal wings, that it is unal
to govern effectively. Adversity has papered over the simi
cracks in Democratic unity, probably only temporarily, but su
ficiently thoroughly to enable the Democrats to hope that t
electorate may have forgotten that when in power they were qu
as much divided as are the Republicans.

Electoral considerations have much to do with Congres
failure to act on two of the President's most important proposa
First, reform of the Taft-Hartley Labour Relations Act w
dropped when it was found impossible even to discuss it witho
alienating labour votes. Secondly, legislation on tariffs and oth
trade matters, designed to implement the broad foreign econon
policy outlined by the Randall Commission, was postponed un
next year in the face of the sustained opposition of the protectio
ist elements in the Republican party. This opposition is head
by the representatives of districts dependent on depressed indu
tries, such as lead mining and textile manufacturing, where cor
petition from abroad is being felt particularly severely.

If the approaching election made it advisable to forget the
Bills for the time being, it made it quite certain that another grou
of Bills would be passed, dealing with the social legislation that h
now become bipartisan in principle, if not in detail. Although ev
here Congress was not prepared to go as far in the direction of tl
Welfare State as the President wanted, it was very ready to exteı
and improve the pensions system that helps elderly and widow
voters, the insurance scheme that assists the unemployed, and tl
Government guarantees for mortgages that enable more people
buy and improve their homes. This housing Bill is an example
the Eisenhower Administration's basic philosophy of encouragiı
private enterprise to fill the economic gaps and thus making it u
necessary, it is hoped, for the Government to do so. Another e
ample was the proposal for Government reinsurance of priva
health insurance schemes, in order to make it easier for them
offer adequate coverage. This proposal Congress unexpected
refused to accept, although it approved other parts of the Pres
dent's health programme, for increased aid to hospitals and to tl
disabled.

The political arguments over this policy of partnership wi

ate enterprise, as a remedy for what the President calls
:ping socialism', came into the open in an extreme form in the
onged and bitter debate over the amendments to the Atomic
rgy Act of 1946. One of the purposes of these amendments
to make it possible for private firms to apply atomic energy to
'eful industrial uses. The debate coincided with the discovery
in alleged attempt by the President, through the Atomic
rgy Commission, to curtail the activities of the Tennessee
ey Authority, the public hydro-electric undertaking which is
model of the Democratic achievements in that field. This dis-
'ry reinforced the genuine concern felt among liberal Demo-
; that the new atomic legislation would enable private firms to
it from patents that had been developed by the expenditure of
lic money and to restrict the benefits of nuclear research. As a
lt, the debate on this Bill became the occasion of a full-scale
:k on the so-called Republican 'give-aways'. The Democrats
se the Republicans of handing over such assets as undersea oil
rves, potential sources of hydro-electricity, and national forests,
:h belong to the American people, to private and local interests
: exploited for the gain of individuals or of states instead of for
of the country as a whole. It is an attack which, in various
is, will play an important part in the election campaign in the
ky Mountain and western states and in the states which border
Tennessee Valley. Particularly in the Pacific North-west, where
:oming shortage of hydro-electricity is a vital issue, the Demo-
; are hoping to win important victories, such as a Senate seat in
gon, as a result of the Republican power policy.

here is little if any domestic political relevance, although a
t deal of international significance, in the other amendments
ne Atomic Energy Act. They enable the Administration to
ange information with allied countries on the peaceful
ications of atomic energy and on the use, although not the
ufacture, of nuclear weapons. The advances made in these
ons were, however, one of the main factors behind this year's
v Look' in American defence policy. Increased reliance on
iic armaments was to have permitted a reduction in the
ber of men in the Army and a concentration of forces on the
rican continent, moves popular in themselves and even more
ilar because they facilitated a substantial cut in defence
ding. The Democrats argued that this attempt to get more
ioth for less money was bound to fail and would endanger the

safety of the country and of the free world. In fact, since the recent deterioration of the situation in the Far East, the Administration has had second thoughts about the policy.

These second thoughts have not yet been translated into a request to Congress for supplementary funds, and meanwhile the decline in Government spending (of which by far the largest part is for defence purposes), as a result partly of the New Look, partly of strict and continuing economy, has brought the Budget, in the first full fiscal year for which the Republicans have been entirely responsible, more nearly into balance than even President Eisenhower himself forecast earlier. It is noticeable that the President's requests for funds were so closely calculated that Congress found little that it could cut, even in foreign aid, the favourite candidate for reduction since it does not affect American voters. Furthermore the deficit came within sight of vanishing point in spite of a drop of some $7 billion in revenues in consequence of tax reductions.

The Opposition will try to counteract the appeal that this satisfactory position will undoubtedly have for the voters by reminding them that, in spite of its parsimony, the Administration had to get permission, given very grudgingly by Congress, to sink the country even deeper into debt than the Democrats had done. And as regards the new Tax Bill, a complete overhaul of the revenue laws, of which the President and the Republican party are justifiably proud, the Democrats have already argued in Congress that it benefits only the rich business man and not the poor wage-earner. This is not entirely true since the Bill carries many concessions for the lower income groups, but its biggest change in connection with income tax, much modified by Congress once the Democrats had drawn attention to its political vulnerability, was in taxes on dividend, not earned, income. The Democratic alternative, strongly supported by trade unionists, was to raise the level of income exempt from income tax. This suggestion is likely to attract many voters, especially since they will not begin to appreciate such advantages as the new Act may have for them until long after the election; they have, however, already received substantial tax concessions under the Republican regime.

The change in taxation on dividend income was only one of a number of measures in the Tax Bill designed to encourage that expansion of business, particularly increased spending on capital equipment, which is the way in which the Republicans hope to

up the slack left in the economy by any decline in Govern-
: spending on defence. The alternative view, strongly held
ie left, is that only by stimulating personal consumption in
hort run, and in the long run by a sustained rise in Govern-
expenditure, on public works if necessary, is it possible to
ent a stagnation of the economy. This would in fact, it is said,
a depression, since a steady growth in the national output is
ssary to keep pace with the steady growth in the population.
far the Administration has had no need to declare much of its
in this connection, for last spring's recession, admittedly
ly the result of the decline in Government outlays, has now
led off and the economy is running at a rate which compares
irably with prosperous 1952, although it is not so high as in the
d year of 1953. Moreover, the Administration has recently
led up its spending, on highways, airports, shipbuilding, and
in military supplies, at a moment well chosen to ensure that
economy does not fail to show its usual seasonal upturn in
enient time for the autumn election. While this is only a
orary measure, it is another sign of that flexibility which the
iblicans had already shown in their monetary policy. Whether
t last year's severe tightening of credit was responsible for the
it recession, it will no longer be possible to lay the blame for
ailure to recover from it on the central banking system for, in
pinion of many bankers, the Federal Reserve Board has now
almost too far in the direction of easy money.

a result of all this, the Democrats have lost what they had
d might be their most telling election point. Unless the situa-
changes surprisingly before November, it will hardly be
ble to accuse the Republicans of having once again driven
ountry into an economic slump, as they are supposed to have
in 1930. There are, however, and are likely still to be in the
nn, a few severe pockets of unemployment, in the automobile
stry in Michigan, for example, which could prove very helpful
e Democrats in close contests.

the moment the Democrats are attaching far more import-
to the Administration's farm policy than to any other part of
President's programme; and it is on this score, too, that the
iblicans feel most apprehensive. For the key states that gave
Democrats their unexpected victory in 1948, and the Republi-
their small majority in 1952, are in the farm belt. It is on the
ats in Minnesota, Iowa, Illinois, and Ohio that the Senate

majority will probably turn. It was their unexpected success last year in a Republican congressional district in the Wisconsin dairy farming area that gave the Democrats their first confidence in a possible victory this November. Since then dairy farmers have suffered further falls in the levels at which the Government supports the prices of their output; this was possible under the existing agricultural legislation which has now, as the direct result of pressure from the President, been extended to the basic wheat, maize, and cotton crops against the advice of the agricultural committees of Congress.

There is no doubt that the President is right in insisting that the old inflexible price support policy would before long have been drowned under the farm surpluses that it accumulated. There is no doubt that the President achieved a great triumph in forcing Congress to accept his less rigid policy. But there is equally no doubt that he has weakened the Republican chances of a majority in November, especially when farm incomes have been falling ever since the Republicans came to power and when prolonged drought is having disastrous repercussions over a large part of the farm area. On the other hand, lower supports for farm prices may win the Republicans some votes among housewives and other consumers of agricultural products in the usually Democratic urban areas.

The great public demonstration of the disunity within the Republican Party has been in the arguments over Senator McCarthy, particularly in the televised hearings on his dispute with the Army. But, while these certainly awoke many voters to the dangers of McCarthyism, there are still only a few brave politicians in either party who have the courage to condemn him openly. McCarthyism is appearing as a major issue in certain areas, in New Jersey and Massachusetts among others, but the direct part it will play in the election campaign as a whole is still uncertain and is unlikely to be decisive. The Senate has at last brought itself to a spring-cleaning, but it is being done with kid gloves. It looks as if the election may be over before Senator McCarthy is either censured or cleared (if any definite decision at all is ever reached), and before committee procedures are reorganized to prevent the discreditable McCarthy methods being used.

Indirectly, of course, Senator McCarthy has had enormous influence on the record of the Administration and of Congress, never more noticeable than in the closing days of the session. For

of the major sections of the President's programme was a long s of Bills, permitting the tapping of telephone wires, the sup-sion of Communist influences in industry, and so on, designed rengthen the Administration's power to deal with Communism thus to prove that it was not 'soft on Communists', however h Senator McCarthy might suggest otherwise. But Congress, a very real concern for civil liberties and constitutional rights, serious doubts about these Bills, and it looked as if few of them ld pass. At the last moment, however, Congress apparently cold feet about facing the voters without a concrete anti-munist record and a number of these Bills were rushed ugh. The measures passed included one, outlawing the Com-ist Party, which the Administration had not asked for; it is ure, at the time of writing, whether the President will agree to pt this ill-conceived legislation, or exactly what form the final on will take.

ie McCarthy influence has been felt in other fields, not only in continuing congressional investigations of alleged Communist ration into Government and other organizations—the big itable trust funds among others—but more seriously in the inistration's efforts to purge the Government service of rity risks', whether Communist sympathizers or merely em-ees thought to be undesirable for other reasons. While there is oubt that there was inefficiency, corruption, and even per-treason to be found among civil servants during the Demo-c regime, there is even less doubt that the Republicans have too far in their attempt to secure credit by putting the civil ce above suspicion.

ie resultant atmosphere of uncertainty, unwillingness to take onsibility, and even demoralization in Government depart-ts, which has been increased by the desire to cut down staff e interests of economy and to find jobs for Republican sup-ers, has certainly, even if only temporarily, undermined the ency of the civil service. To this can be added the attack on the dent's power and prestige led by Senator McCarthy, the con-ional attempt to weaken the constitutional separation of ers; only recently has the President begun to counter this it to his authority with sufficient firmness. Together these two s have weakened the executive branch of the Government have given the Democrats plenty of evidence for arguing, as do, that the 'mess' which they are supposed to have left in

Washington has been aggravated during the Republicans' time in office.

Moreover, the Democrats claim, the most serious result of this and of the divisions in the Republican party itself has been that the United States has lost the leadership of the free world. This, they say, has been clearly shown by the open differences of opinion within the Administration, between the Administration and the Republican leaders in Congress, and between the United States and its allies, over the immediate crisis in Indo-China and the long-term problem of South-East Asia. The Republicans, though not the President himself, are putting the blame for the whole Far Eastern muddle on the 'loss' of China under the Democratic Administration, but this is an indictment that the Democrats, already disgusted at being accused of 'twenty years of treason' and pro-Communist sympathies, naturally refuse to accept.

Foreign affairs are therefore bound to be an issue in the election campaign, but it is an issue on which the Republicans have the advantage unless there is a new outbreak of war between now and November. For under the Eisenhower Administration peace, uneasy and unsatisfactory though it is, has come to the Far East. Furthermore a threatening situation in the Middle East has been ameliorated with the assistance, inept though it has sometimes seemed, of the United States Government.

Peace and prosperity count heavily with the average voter on the side of the party in power. Americans are no longer dying in Korea, prices and incomes are in general, although not on the farms, stable and satisfactory and are expected to continue thus. These are weighty assets for the Democrats to overcome, even though they have on their side the traditional swing of the voting pendulum against the party in power in years when there is no presidential election. But in such a year the final outcome depends to an incalculable but very great extent on the local issues and the individual personalities which cannot be assessed in advance or from a distance.

N. B.

The Salazar Regime and Goa

ᴛᴜɢᴀʟ, a country that has stood outside the conflicts and up-
als that have assailed so many other European States during
quarter of a century coinciding with Dr Salazar's regime, has
come into the news over the question of her possessions in
a.

ıe pocket-size Indian provinces of Goa, Damao, and Diu on
Malabar coast, covering together an area of little more than
) square miles with a population of not quite 650,000, are all
is left of the magnificent trading empire she once had in the
continent. They have long ceased to be of any real commercial
e to her. Prime Minister Salazar in a broadcast last April
ented them as a liability of some significance to the national
omy; he stated that against their annual contribution to the
uguese revenue of 800,000 escudos they require from the
equer some 7 million escudos each year, in addition to several
on more for shipping and other subsidies. They offer neither
nor opportunities—only a few dozen of the 4,500 civil
ınts come from Portugal, and there is a similar predominance
ıtive Goans and Indians in business. Although they are by
sizeable exporters of manganese and iron ore, most of the
ng profits go to one of Goa's rich men, an Indian who owns
nines, while banking, in the hands of the Portuguese *Banco
onal Ultramarino*, has on the whole proved to be of little
t. Portugal's share in the official foreign trade—as distinct
smuggling—of the three enclaves does not exceed 10 per cent
eir imports and 0·5 per cent of their exports, and she is un-
y to have a larger interest in their contraband activities which
n additional source of irritation to India.

ıe view held in Lisbon that India's claim to these small
ndencies strikes at the very roots of Portuguese history can-
wholly explain the fierceness of its rejection. In the words of
doyen of the Goan colony in Lisbon, Professor Gonzalves
ra, the State of India, as the provinces are called, is to the
uguese something more than a mere expanse of territory—'it
e finest event in Portugal's epoch-making period'. The open-
f the sea route to India by the great Portuguese captain Vasco
ama in 1497 changed the map of the world. The State of
a, formed in 1505, and from its inception governed in a spirit
emplary racial non-discrimination, set a pattern of ethnic

peace which many countries would do well to emulate. Through Goa, chosen as its capital in 1510 by Afonso de Albuquerque, the most remarkable of all Portuguese governors in the East, India, South-East Asia, and ultimately China were bound to the West.

More powerful empires than Portugal have felt obliged to sever their time-honoured links with overseas dependencies. Their example has not discouraged her from stubbornly continuing to offer past achievements as a solution to the problems of a new world. It has been suggested that Portuguese intransigeance, viewed with sympathy by some Western Powers, stems from the current strategic value of the possessions in the flank of India: Albuquerque's saying has been recalled: 'If you lost the whole of India, from Goa you could reconquer it.' In his broadcast last April Dr Salazar admitted that his approach to international problems was at variance with that of India but, he added, India need have no fear that Goa would be set up as a base for hostile operations against her. Precise undertakings to this effect were offered. Yet even so, India would still run the risk of Portugal's lending her dependencies as strongholds to an organization such as S.E.A.T.O. for the enforcement of Far Eastern policies which India does not endorse. Hence perhaps the growing insistence of India's requests for their integration with the Union.

So far Portugal has remained adamant. A year ago Prime Minister Salazar declared emphatically that neither with nor without plebiscite could she cede or transfer any fraction of the national territory, and the constitutional incapacity of the Government to alienate any part of Portuguese land was stressed again in his refusal this year even to accept the principle of submitting the issue to discussion. The Portuguese point to the fact that Goa and the other enclaves in India are not colonies, but an integral part of the Portuguese Republic, and they declare that the Goanese prefer to remain as they are.

Altogether, Portugal has been asked four times since 1950 to transfer her sovereignty over these enclaves to India on the grounds that the Indian national liberation movement could not halt at their frontiers. In June 1953 India closed her legation in Lisbon as it had 'ceased to serve any practical purpose in view of the refusal of the Portuguese Government to discuss the future of its Indian territories'. Street demonstrations took place in Bombay where some 80,000 Goans are now living, and in other Indian towns. A Goan National Congress was set up, and its 'Freedom

oa' Volunteers went into action last July when they occupied
al villages in the Damao enclave. There was fighting and
shed.
tain, requested to support her oldest ally against a Common-
h nation, made representations in New Delhi which India
ot take at all kindly. She emphatically repudiated the 'un-
ntable implication' that the use of force was being contem-
l, and deeply regretted that the United Kingdom Govern-
should have made themselves responsible for an expression
nion 'based on one-sided information'. To similar démarches
veral Latin countries and the Holy See, she reiterated her view
he present tension was caused by Portugal's 'resistance to the
of a subject people for freedom from foreign rule' and that
would not be a party to the suppression of a 'genuine, peace-
tional liberation movement'.
llowing reports that on 15 August 1954, the anniversary of
n independence, the Volunteers meant to march into Goa,
ortuguese Government advised the Government of the Indian
n of its 'firm resolve to offer forcible resistance'. India's
er was that Portugal had better consider the possible 'in-
able repercussions among the people of India as a whole'.
the march into Goa proved something of a fiasco, and
high political temperature dropped when both countries
d to have the facts examined by impartial observers with a
o averting the emergence of a new centre of hostilities in Asia.
addition to reaffirming his ancient title-deeds to the State of
, the Portuguese Prime Minister has invoked the somewhat
ous 'spirit of the West' to justify the continuance of a foreign
rnment on Indian soil. Goa was a light of the West in the land
Orient, and, he said in one of his latest speeches, if anyone
represent this light in the East without offence or humilia-
and without being a source of dissension or danger, that
ry was Portugal. But in view of the already individual
cter of Portugal's regime, it is understandable that outside
vers may entertain fears lest her attitude in the present dis-
might tend to weaken her links with other Western countries.

THE PORTUGUESE BACKGROUND

s difficult to apply an orthodox political label to the system
alazar has evolved. He was called into power by the Army
overthrew the parliamentary regime in 1926, but although

he still enjoys its backing his rule could not possibly be termed a military dictatorship. The ubiquity of the police and their numerical strength might tempt the observer to call Portugal a Police State. While priests are not over-conspicuous, the Roman Catholic Church undoubtedly exercises tremendous influence on the theory and practice of the 'New State'. Since Dr Salazar has been at the helm some 40,000 laws have been enacted, to say nothing of untold bye-laws and regulations. But it is not so much the stress on legislation which may give rise to doubts as the arbitrariness to which the Government may also resort. True, there is no death penalty, and lethal or torture chambers are unthinkable. But the Constitution provides for arrest without warrant and detention without trial.

Disagreement with the regime is not encouraged. At frequent intervals its opponents find themselves deprived of liberty, free though they are to vote against it at election time. Anomalies of this kind abound. As a rule, a few weeks in prison are considered sufficient to frighten the citizen out of his anti-Government attitude. Detention starts grimly with solitary confinement. Later, in some country prisons at least, the inmates may even chat with passers-by through the windows of their cells opening on to the street, read for a University degree, or study correspondence courses, some of which—in the English language—they get from the British Council. They may be kept in gaol for several years before being tried. But they may also be sentenced and released on probation, or, contrariwise, may have their sentence extended administratively—in the interest of State security.

Although the Government is frankly hostile to democracy, it arranges parliamentary elections from time to time, but neither the event nor the Assembly originating from it provide much opportunity for political experience. Twenty years ago, when Portugal had just 7 million inhabitants, the number of the electorate was 1,330,268. In 1953, out of a population nearing the 9 million mark, only 1,161,932 were on the electoral register. All the 120 seats in the National Assembly then elected were won by the *Uniao Nacional*, the Government party. In Lisbon, Oporto, and Aveiro, the only constituencies which the Opposition contested, 20 per cent of the votes were cast for its candidates. In contrast, in 1933, less than 0·5 per cent of the electorate voted against the regime: whether it has loosened its grip or lost popularity in the two decades since then is a moot question.

Government officials themselves admit that elections are no

yardstick for the size of the opposition. They estimate it at 25 per cent of the population, while some non-officials claim that 50 per cent would be nearer the truth. But it is an opposition divided in itself, and impotent to build up an organization, except, apparently for the Communists who seem to thrive on persecution. Nevertheless, despite their slogans on the walls, there is no Communist climate in Dr Salazar's Portugal—as little as there is a Fascist climate as we know it, notwithstanding the nationalist passion now being whipped up.

In this haze enshrouding Portugal's political scene, the observer does not easily catch sight of its central figure, Dr Antonio de Oliveira Salazar, who, chosen haphazardly at a moment of acute crisis to nurse the country back to health, is now charged by the loyal Opposition with having overstayed his welcome. It is only on rare occasions that he shows himself in public. He seldom makes speeches which he regards a torture—were it possible, he says, he would never make any. He has coined no slogans, wears no uniform, and does without militia or political organization which he considers dangerous. The role in which he sees himself is that of a dispenser of peace and normality. When he was called to his seat of absolute power from his Professor's chair at Coimbra University, the country had just experienced a remarkable currency fraud working havoc with the Portuguese finances in a period of general economic chaos. The already inflated amount of money in circulation suffered an almost catastrophic expansion by the injection of some 300 million escudos' worth of banknotes, printed on the strength of a counterfeit order in London, and smuggled into Portugal—the well-known Portuguese Bank-Note Case. At that time a League of Nations Commission, after a visit to Portugal in response to an appeal for a loan of £12 million, decided that if it was to be granted at all it should be administered by the League itself and not by the Portuguese. Portugal did not accept these conditions, and the loan was not granted.

Today the escudo is one of the soundest currencies in the world, and the accumulated surpluses of the country's Budgets have year by year put into the coffers of the Exchequer the means to make possible the realization of a large-scale economic development programme, Portugal's Six-Year Plan 1953–8. The monumental power stations now springing up everywhere in Portugal, the largest of them surpassed in size only in the United States, are as much a testimony to the remarkable economic recovery brought

off by Dr Salazar as are the piles of gleaming gold bars one ca
unprotected in the windows of the banks in Lisbon's Rua do C

But for a post-war boom affecting two of her major exp
wolfram and cork, which slightly eased the unbalance of M
politan Portugal's external trade, imports have for many y
now heavily outweighed exports. Portugal's chief exports
extremely sensitive to any changes in the outer world—if poli
they tend to affect her trade in wolfram, an eminently stra
material; if social, they leave their mark on her sales of port w
and if economic they curtail her shipments of tinned fish.[1]

PORTUGAL'S EXPORTS AS PERCENTAGE OF IMPORTS

Year	1925	1935	1945	1950	1951	1952
Per cent	34	40	79	67	80	68

Were it not for the overseas provinces, and in particula
course, those in East and West Africa, Portugal's foreign t
would be even more out of gear. In them, the overflow of
motherland's products finds its most accessible catchment ar
over 27 per cent of Portugal's exports went to these heavily
tected markets last year, and 16 per cent of her imports came f
them, chiefly in the form of cheap food and raw materials. T
for instance, 90 per cent of all the raw cotton processed in Po
gal's textile mills are supplied by the colonies—at half the w
market price—and 80 per cent of all the textiles she exports
sold there. Moreover their financial contributions help to l
Portugal's overall payments balance well stocked with dollars f
the sale of tropical produce, and with sterling earned from tr
port services and from the remittances to their families of Po
guese Africans working in the Rand mines.

Dr Salazar began his political career as a Minister of Financ
1928. One by one he added to his tasks the Premiership, Home
Foreign Affairs, Defence, and the Colonies, though he has su
quently shed all these offices except that of Prime Minister, w
he has held ever since 1932. The imprint of his leadership on
country's colonial policy has borne fruit in the increasing coa
cence of home and overseas economies, benefiting at present lar
the mother-country. Concern for the integrity of the Portug
Empire in a rapidly changing world now mingles in the shout

[1] Wolfram exports were: 1951, 4,146,998 kg.; 1952, 4,398,077 kg.; 1
3,870,000 kg. Exports of port wine, before the war averaging 70–80,000 p
annually, after the war fell to 30–40,000 pipes a year. Exports of tinned
were: 1925, 52,000 tons; 1950, 24,800 tons; 1953, 39,400 tons.

'Viva Goa' with defiance to the charge that old-fashioned colonialism is at the bottom of this new economic nationalism.

Yet there can be little doubt that many of the ideas and practices of Dr Salazar's regime did in fact originate in bygone days. Before the war there was a general consensus of opinion that his 'Corporative State' had been modelled on the pattern of Mussolini's Fascist Italy. Renamed now the 'New State' it has tacitly shed a number of its former principles without, however, formulating new ones to fill the void.

One of the basic laws of the land, enacted in 1933 together with the Constitution, laid down that the State should 'abjure all industrial and commercial exploitations whether in the form of competition with private enterprises or of monopoly'. But in the post-war period circumstances and the lack of enterprise shown by private investors have forced the Prime Minister to vest ever wider economic powers in the State. Recent measures provide for the closing down by the State of sub-standard factories, and for State control of all new industries. The important electrification programme, launched just after the war, began by calling into existence State-owned power companies. Progressive State intervention in industry has since put into the hands of the State considerable holdings in enterprises, the profits of which by now finance one-sixth of the Budget. Finally, in 1952 development schemes for basic sectors of both industry and agriculture were merged in the new Six-Year Plan.

The plan concentrates on the promotion of industry to absorb the rapidly increasing population. But the problem confronting Portugal is larger than the mere acceleration of the economic machinery so that it can keep pace with the increase in population. Admittedly, this alone would be no easy task. Before the first World War from 2 to 5 per cent of the population left the country each year; today, 1 per cent at the most can emigrate. The birth-rate averages 23·5 per thousand, and the density of the population, about 150 to the square mile at the beginning of the century, now stands at 240. An abundant labour potential, prevented by its numbers from forcing wages up, lacks the purchasing power which would attract into industry capital now lying idly in the banks or spent on personal comfort. The mounting stagnation is best illustrated in the rising imports of passenger cars going hand in hand with a fall in imports of commercial vehicles—both in town and countryside most of the loads are still carried on women's heads.

	Imports of	
	Passenger Cars	*Lorries*
1951	6,119	2,927
1952	6,564	2,848
1953	6,896	2,678

Revenue from taxation represents only 15 per cent of the g
national income—less than half the Western average. It is at
point that, according to the O.E.E.C., the Government sh
apply its lever to prize up the sluggish capital it would require
more rapid development of the productive forces. But the prol
is not exclusively financial. Under-employment is most w
spread in agriculture, where yields, incomes, and real wages
now been on the decline for several years. Among the farn
population, Government action would have to thrust deeply
the existing property structure.

A bad year for the country's external trade has brought
people face to face with these domestic economic problems,
noticed in the glow of war-time and post-war prosperity. The
some vague realization that they might confute the precept
orthodox economy so successfully applied by Dr Salazar in
earlier stages of his regime, and force him on to new and unt
paths where his strongest supporters would be loath to follow

Rumblings of defeat come from different parts of the edific
has erected. He himself has admitted failure in his battle aga
emancipation of women and equality of sexes. A stringent
was enacted barring married women from a number of trades
professions. A year ago he complained to Miss Garnier, his Fr
biographer, that women did not understand that happiness li
renunciation: the leading nations ought to set an exampl
keeping them to the hearth, instead 'they spread the evil.'

The State-controlled employers' guilds and State-spons
trade unions have never been combined in a single system or g
the wider scope they anticipated. The elected Assembly sits
three months a year without any parliamentary functions to
form. The President of the Republic needs the Prime Minis
placet for his acts. There is thus a jumble of personalities, asso
tions, councils, unions, and chambers incapable of functio
either individually or collectively unless Dr Salazar provides
counterpoise. But if not he, whose prestige and power woul
such as to establish an equilibrium among half-finished institut
relying for their manipulation on their creator? He himself is
in universal esteem. The respect he enjoys has so far held in cl

the rising discontent among the wage earners at their extremely low standards of living. But at the other end of the scale, among the moneyed classes, there is the haunting fear that his regime, having reached an impasse, might see no other way out but to encroach on their status, their assets, and their income. And even Dr Salazar's closest followers cannot help blaming him for his neglect to provide for some organization to hold together State and society when he can no longer do so.

The nation has had its views obscured by censorship, its initiative stifled by a surfeit of legislation, and its interest in public affairs diverted into the artificial channels of commercial sports. (The Portuguese themselves say that they are given three 'Vitamin Fs': football, folksong, and Fatima, the great Catholic pilgrimage centre.) Thus having failed to provide for an alternative to his inimitable single-handed rule, Dr Salazar must go on defending with fierce determination the *status quo* wherever he sees it threatened. Altogether he has been in office longer than all the Republic's Prime Ministers taken together. He has changed the face of his country beyond recognition. Illiteracy among the young has disappeared. A good measure of social insurance has been introduced. But peace and normality have been bought at the price of vigour. Yet, if inertia and apathy are removed, unrest might be set free.

E. B.

Brazil and her Expanding Economy

'IT is an unhappy fact,' said Sir Geoffrey Thompson, her Majesty's Ambassador to Brazil, speaking recently in Rio de Janeiro at the Annual General Meeting of the British Chamber of Commerce, 'that Latin America gets little publicity in Britain, and, broadly speaking, there seems to be insufficient imaginative grasp among our people of the opportunities this continent has to offer. We have our enthusiasts for trade within the Commonwealth and the Empire, for trade with China or Russia, for trade with Europe, with the Near and Middle East. But there seems to be lacking any Latin-American lobby in Parliament, the press, or anywhere else,

and here, I think, is one reason why we are falling behind so other nations. To too many at home, Latin America remain mysterious continent of comic-opera revolutions and of deb Governments. There is small understanding of its vast spaces, dynamism, its self-confidence, its resources, or its astonishing p gress during the last two or three decades. . . . To fight against t strange myopia is, as well I know personally, a discouraging bu ness, but in all our interests, both personal and national, we sho never cease doing so, for what is at issue is nothing more nor l than our commercial stake in Latin America, threatened today never before.'

Anyone concerned in this country with the affairs of La America will agree wholeheartedly with Sir Geoffrey Thomps for, even though some progress has been made, the rapi increasing importance of that part of the world demands that mu more attention should be paid to its affairs than has been the c so far. Here is a group of countries with a total population of ab 175 million which, according to the Population Research Bureau Washington D.C., will rise to 550 million by the end of this ce tury, whilst, according to the same organization, the combin populations of the United States and Canada, in the same tin will only have reached some 250 million. These figures alone eloquent enough. But perhaps the most important thing ab Latin America is its relative stability and the scope it offers economic expansion. Contrast it, for instance, with most of countries of Asia and the Far East generally, already, in so ma cases, overpopulated, and faced with prospects which experts h described as catastrophic, unless something is done sooner than present appears likely to check the uncontrolled rise in the bi rate. Contrast Latin America again with Africa, whose devel ment may well be retarded by racial conflict. Or take again Middle East. What are the prospects of stability there?

All the countries of South America have been independ States for well over a century. Consequently, there are no 'indep dence movements' to dissipate their energies, or to be exploited they so often are, by Communists. It is a continent which is markably free from racial conflict. And there is room in La America for many hundreds of millions. It would not be fanc to imagine, therefore, that, given its vast and varied natu resources, Latin America is destined to achieve a material adva as spectacular as the United States. A further relevant factor

und in another American report—the Paley report, published
three years ago—which estimated that, in another twenty-
years' time, many of the natural resources of the United States
have been largely exhausted, whilst in Latin America all the
ations point to continuing expansion of production. Here is,
ed, an excellent example—in spite of the ups and downs on the
—of an expanding economy.

his general picture has no doubt been oversimplified. And it
perhaps be irritating to some that articles dealing with Latin
rica should so often nowadays take the form of a special plea
reater awareness of its potentialities. But, granted the present
increasing importance of that part of the world, both as a
et for exports and as a source of raw materials, it would seem
ely wrong and short-sighted that it should continue to be
ed—or even to give the impression of being treated—in what
t be called a 'residual' manner.

hat has been said about Latin America in general applies with
ial force to Brazil—a country which occupies roughly one-
l of the total area of the sub-continent, and whose present
lation of about 55 million is not far short of one-third of the
population of Latin America. If present trends continue, the
lation of Brazil should reach 150 million well before the end of
resent century.

azil is particularly fortunate in several ways. To begin with,
ite her enormous territory and relatively sparse population,
is a homogeneous nation, there being no question of any
rities struggling for self-determination. There is not even the
ity to be found in some Spanish-American republics, in some
hich the local Indian dialects are spoken more than Spanish,
official language. In Brazil, for all practical purposes, only
uguese is spoken, from the frontier of French Guiana, in the
h, to the southernmost tip of the country, where it borders on
guay. The pure native Indians number, at most, a few hundred
sand, and are to be found mostly in the forests of the Amazon
a and Mato Grosso. The rest have been absorbed in the racial
ing pot of Brazil, which, in addition to the Portuguese, has
ved millions of immigrants from Italy, Syria and the Lebanon,
nany, Poland and other Slav countries, Japan, and elsewhere.
re is also a very large negro element—the descendants of the
ons of slaves imported from Africa up to the middle of the
teenth century. Happily, however, the process of miscegena-

tion has gone on smoothly, with a remarkable freedom from r
antagonisms. Indeed, Brazil has been rightly envied for
absence of racial friction; though it would not be correct to say
there is no prejudice at all against negroes, such prejudice as e
would be more correctly described as social preference for
white than racial prejudice against the negro, since the negroes
form, by and large, the poorest sector of the community. All
equal before the law, and acts of racial discrimination are, in
punishable by law. This unity in diversity, and the racial harm
which exists in Brazil, are surely powerful factors making
orderly progress.

The development of the country has until recently been
tively slow. Up to 1914 its industries were insignificant,
Brazil had to import practically the whole of her requirement
manufactured goods, both capital and consumer. Her exports
limited almost entirely to primary products. The first World
however, provided a decisive stimulus to Brazil's nascent consu
goods industries, owing to the difficulty of importing such g
from her traditional suppliers. And when the war ended protec
tariffs were imposed against the foreign product. A second
portant stimulus to the industrialization of Brazil was the slum
the 'thirties. As the terms of trade were almost invariably ag
the countries producing primary commodities, the prices of
exports sank far lower, relatively, than those of her imports, w
Brazil found it necessary to restrict; this led in turn to the set
up of many more new industries. This process was acceler
even more by the second World War, and today Brazil not
makes most of the consumer goods she requires, but has begu
develop heavy industry as well.

For good or ill, the old days are gone for ever. As Brazil lool
the world, and sees that the most prosperous countries with
highest standards of living are those with solidly established in
tries; as Brazilians recollect their own experience of disast
fluctuations in the prices of primary commodities; and as
survey the international situation, with the possibility (w
unfortunately cannot yet be dismissed) of yet another wa
would appear only natural that Brazil should go ahead with in
trialization. It is realized, of course, that there are disadvanta
For instance, it is felt that the high protective tariff imp
against the foreign article—not to mention other import difficu
—has given some national industries too big a margin of advant

bling them to charge excessively high prices. Then again, owing
he preoccupation with industrial development, insufficient at-
tion has been paid to the development and opening up of the
rior, and there has been a drain of workers away from agri-
ural areas, owing to the attraction of higher wages and better
ng conditions in the cities. But there can be no question of
ting the clock back. After all, the economic growing pains of
zil are not so very different from those experienced by the
ited States during the nineteenth century, and even later. And
reason is the same—a trend from basic agricultural pursuits to
ustrialization, which occurs inevitably in growing and progres-
countries.

he great problem in Brazil is to open up the country. It cannot
lenied that for some time now far too great a proportion of the
ntry's resources have been consumed in the construction of
-scrapers and in speculative enterprises in the cities, where
unes have been made in real estate. And there is much concern
ut the relative neglect of the interior. For until the country is
perly opened up, its vast resources must remain largely un-
oed, and it will not progress as rapidly as it might, whilst in-
try itself will be deprived of an immense potential market.

ack of transport has all along been the main retarding influence
development. There is a reasonably good railway network in
south, and a smaller and much poorer one in the north-east.
elsewhere the railways, where they exist, peter out a few
dred miles inland at the most. Except in the south, Brazil has,
t were, only been nibbled at the edge. But she has reached
itical stage of her development, and once 'over the hump',
e the opening up of the country really gets under way and
zilians begin to colonize their own vast hinterland, it is almost
nd to gather momentum very rapidly. There are, in fact,
ortant plans for the development of transport, and large loans
e been raised in the U.S.A. for the improvement of port
lities and the modernization and expansion of railways, whilst
Government has undertaken an extensive programme of road
struction. And much is being done to harness the immense
urces of hydro-electric power from Brazil's great rivers.

he truly exciting possibilities opened up by such developments
exemplified by what is happening in north-eastern Brazil. This
entially very rich region has few industries, the main reason
g lack of power. It suffers also from periodic droughts, and

when these are really serious people emigrate to the south in
thousands, arriving there in a state of utter destitution. Some y
ago, however, it was decided to construct at Paulo Afonso, or
river São Francisco, a hydro-electric generating plant, desig
when completed, to supply the whole of the north-eastern 'bu
and including the State of Bahia as far south as the capital, Sa
dor, with cheap and abundant electricity. Financed partly by
Brazilian Government and private Brazilian subscribers
partly by a loan from the World Bank, the work was taken in h
and in the course of the next few months the first two 60,000
generators should go into service at the Paulo Afonso hy
electric station, said to be the largest development project
undertaken in South America. In its final phases, this Braz
'TVA', with a potential of 900,000 KW, may turn a territory t
times the size of the British Isles into a region of great wealth
economic activity, altering radically the industrial and econ
map of Brazil. An American observer who worked with the
Brazil–U.S. Commission on a survey of the falls described P
Afonso's main fall as probably the greatest single concentr
power unit known; and when the writer was in Recife a few mo
ago he was told that industrialists from São Paulo were alr
beginning to consider the building of factories in the area. All
will benefit not only the north-east, bringing a new prosperit
the region and raising the standard of life of the people ther
will also benefit the country as a whole in that it should at
reduce the traditional exodus to the south and thus help to b
about a better distribution of population, nearly a quarter of w
(together with two-thirds of Brazil's industrial productio
concentrated in the Federal District of Rio de Janeiro, and in
State of São Paulo, which together comprise only 3 per cen
Brazil's territory.

The cities of Rio de Janeiro and São Paulo do in fact act as
powerful magnets, and São Paulo in particular—already the
populous city of Brazil—has been growing at a fabulous rate.
also the biggest industrial centre in Latin America. But in sp
the justifiable pride of the 'Paulistanos' in their great city,
writer, when he was there in January, heard expressions of con
at what many considered a too rapid growth, with which pu
services had not been able to keep pace. But these are the al
inevitable concomitants of expansion. For instance, Braz
growing so fast that it is estimated that her need of electric p

ıbles about every six years. The capital investment of the nadian Company whose operating subsidiaries supply about per cent of the country's hydro-electric power is about 700 llion dollars. But it is estimated that one and a half thousand llion dollars will be needed in the next ten years, if the minimum nands foreseen for electricity, telephone services, gas, etc. are to met in the territory which it serves—mainly the cities of Rio de ıeiro, São Paulo, and Santos. The company's present generating ›acity is of about one million kilowatts. It has undertaken one of greatest construction programmes in the world today, which ›uld give it, by 1956, an additional 790,000 kilowatts—and even s, according to estimates, will still be 200,000 kilowatts short of nand. An interesting point about São Paulo's growing pains is t they appear to be helping to distribute industry more evenly oughout the country. Already, owing to the problem of elec- :ity supply, the phenomenal price of land, and other such tors, people are beginning to build factories in other places— :h as Campinas, in the interior of the State of São Paulo, where ınlop's big new factory was opened recently. Another centre is lo Horizonte, the capital of the State of Minas Gerais, where a v industrial quarter is rising on the outskirts of the city. These but two examples of the scope for expansion which exists in ızil where the 'margin of error' can be much greater than in most ıer countries, for her expanding economy can withstand experi- nts whose failure would elsewhere spell disaster.

[n common with other countries of Latin America, an important nd in Brazil, especially during the last two or three decades, has :n nationalism, and in particular economic nationalism—not natural in relatively new countries, anxious to achieve economic lependence as well as political and cultural emancipation. In ızil, as elsewhere, it has manifested itself in a certain resentment ich has sometimes been shown against foreign capital in general l against the foreign ownership of public utility and railway npanies in particular. Most of these, it is true, have been ionalized since the war; but though nationalism in Brazil has ver developed into the extreme xenophobia of some other coun- :s, it still makes itself felt in the suspicion with which the par- pation of foreign investment in the development of the country egarded by many. Nevertheless, conditions are changing, and tainly the Government seems to be increasingly aware of the ıirability of attracting capital from abroad. Indeed, many people

with whom the writer spoke in Brazil deplored the decision wh
was finally approved recently by Congress, after much discuss
and in the face of a great deal of opposition, prohibiting the p
ticipation of foreign capital in the exploitation of the country's
resources, believed to be considerable. The critics of this decis
affirm that it represents a surrender to nationalistic prejudi
which may well prolong considerably Brazil's dependence
imports for practically the whole of her oil requirements.

There seem to be several explanations of the greater confide
to be observed in Brazil in relation to capital from abroad.
begin with, the country is far too big for any one foreign conc
to become so powerful that, as has happened elsewhere, it come
be regarded as the real power behind the throne. Then again,
increasing power and importance of Brazil, and above all
expanding economy, have given it a new confidence vis-à-vis
traditional industrial nations of the world. Brazilians feel that
the long run, these nations will need Brazil much more than Br
will need them, and this levelling up of bargaining power sho
increasingly weaken the traditional nationalistic reaction to
participation of foreign capital in the development of the coun

The scope for foreign investment in Brazil is obviously en
mous, and now that the psychological barriers seem to be
appearing there appears to be no reason why methods should
be evolved of supplying it on terms acceptable to both sides—
to the advantage of both. It is strongly to be hoped that Brit
will not be backward in this respect. Certainly other count
seem to be only too well aware of the possibilities. American ind
try has invested enormous sums in Brazil, and factories are be
put up by German, Italian, French, Swedish, and other intere

Nor are the possibilities open to British industry in Br
limited to establishing local factories. Even in the U.S.A. ther
still a valuable market for high quality textiles and other go
from Britain. But there is no doubt that the market for m
imported consumer goods in Brazil will diminish with grow
industrialization, and manufacturers who are not prepared to e
factories there will eventually be eliminated from the market.
the other hand, the internal market for goods of all kinds contin
to expand in Brazil, not only on account of the rapidly increas
population, but also because the general standard of living is c
stantly rising. There is in fact room for a greatly expanded An
Brazilian trade, though it is changing in nature.

Anglo-Brazilian trade has admittedly been beset with many
ficulties during the past two or three years. Owing to a com-
nation of circumstances which caused some Brazilian commodi-
s—mainly cotton—to be out-priced in the world's markets,
ere was a serious accumulation of commercial debts to British
porters, arrears piling up to over £60 million in some two years.
it the present situation seems to be more promising. The agree-
ent concluded last November appears to have been about the
st that could have been reached in the circumstances, even
ough certain aspects of it have been criticized. The main criti-
m is that, after amortization and interest payments, too little is
t over, from Brazil's earnings of sterling, for the needs of
rrent trade. But by last June the arrears had been reduced, in
e way or another, from some £65 million to about £39 million.
The time taken to pay off this debt, and the prospects for
itish exports to Brazil, will, of course, depend to a very large
tent on how much the United Kingdom is able to import from
azil, thus providing the latter with the necessary sterling. And
w that commodity prices in Brazil are again roughly in line with
orld prices, it is to be hoped that her exports to the United
ingdom will increase considerably. As Sir Geoffrey Thompson
id, in the speech already quoted from: 'For good or ill, Brazil is
edded to bilateral trade and she cannot spend the sterling she
es not possess. She is, moreover, being wooed by the Germans,
e Americans, and the Japanese. . . . These countries, who fully
are the view . . . that there is no area in the world developing
th greater rapidity than the Latin American continent—and
would add that in this development this vast and wealthy
untry is in the van—are ready to take the long view and the risks
at are inseparable from it. It would be strange indeed if Brazil, to
hom the United Kingdom market under existing conditions is
t vital and who can obtain such consumer goods as she requires
om other than United Kingdom sources, should not meet smiles
th smiles'. Later in the same speech Sir Geoffrey said: 'As much
this competition is subsidized in one way or another by Govern-
ents, British industry will need effective help if it is to meet our
als on anything like equal terms. . . . Since bilateral trade agree-
ents do not fit in with our general trade policy, I can think of no
ore effective means of helping British exporters than to assist
em to finance the orders they receive from countries such as
is, whose development will always be in advance of their

financial resources and who therefore need time in which to pa
Competition in this increasingly important market is becomi
keener every day. It is not merely a matter of credit, nor is th
any question of British exporters being able to sell all they c
spare, provided only that exchange difficulties are cleared aw
No doubt criticisms of the 'take it or leave it' attitude of Briti
exporters have often been exaggerated, but unhappily they are r
without foundation. Too often specifications are still in Engli
weights and measures, and catalogues continue to be sent out
English. Like all buyers, the Brazilian buyer likes to be wooed, a
the Germans, at any rate, are well aware of the importance
making things as easy as possible for the potential customer.

News received from Brazil as this article goes to press has giv
rise to a certain amount of anxiety as to the immediate future. (
the political front, the attempt to assassinate a prominent oppo
tion newspaper editor, in which members of President Varga
personal guard appear to have been involved, has rallied t
opposition to the regime, leading to demands for the Presiden
resignation. The dissatisfaction which undoubtedly exists is d
in no small measure to the present Administration's inability
check the inflationary spiral. In addition, the country faces n
balance of payments difficulties, due to the recent sharp decline
coffee sales, which appears to have been the reason for the lat
devaluation of the currency.

Nevertheless, similar difficulties in the past have not check
the progress of Brazil, and certainly no country dependent for
existence on foreign trade—not even a country with a great colon
empire—can afford to disregard the opportunities of Brazi
expanding economy.

W.A.T.

Some Characteristics of the Younger Generation in Western Germany

THE results of a poll held at the turn of the year 1953–4 to dete
mine the general attitude of German youth, male and fema
towards the problems facing Germany have just been publishe
As was to be expected, they furnish food for thought, though
the whole they give little ground for alarm and do not substantia

some of the more sensational views that have recently found currency in Britain and, especially, in France. It must, however, be borne in mind that the poll only covered a very small cross-section of the population.

The poll was undertaken by the E.M.N.I.D. Institute for Public Opinion in Bielefeld with funds provided by the German branch of an international commercial organization.[1] The results fill a book of 344 pp.[2] E.M.N.I.D. is regarded in Germany as one of the most serious public polls. It works with the relevant Ministries in Bonn and with semi-Governmental organizations. Beyond providing the funds, the organization concerned left this inquiry entirely in the hands of E.M.N.I.D. and its expert advisers. The U.N.E.S.C.O. Youth Institute in Munich was also consulted. A total of 1,498 young people in ninety-five areas of the Federal Republic (only) were interviewed and their answers were closely—if anything, too closely—analysed. The inquiry was thus extremely 'thorough' as befits a German academic undertaking.

Particulars of the 'interviewees' show that they were divided almost equally between youths and girls. Of those interviewed, 56 per cent were Protestant ('Evangelical') and 38 per cent Roman Catholic (whereas the population as a whole is split into two more nearly equal parts); 6 per cent did not give their religion. As to age, 55 per cent were born between 1929 and 1934 and the remainder between 1935 and 1938.

The educational 'breakdown' of those questioned showed 77 per cent from the *Volksschule* or elementary school; 12 per cent from a medium grade school (*Mittelschule*), and 10 per cent with higher education (*Oberschule*). No less than 27 per cent had come as refugees into the Federal territory since 1945. Of the total, 35 per cent were the children of workers.

Among the principal themes on which the 86 questions were based were: 'The Attitude of Youth towards the Community in General'; 'Education'; 'The Choice of a Career'; 'Religion'; 'Cinema, Press, and Radio'; 'Politics', and 'Marriage'.

Beginning with the behaviour of young people among themselves, we find that organized sport or athletics claims the interest of 45 per cent of the boys and 38 per cent of the girls; 46 per cent of boys go camping in summer; 28 per cent favour the wearing of uniform, and 70 per cent that of a distinguishing badge. However,

[1] Shell.

[2] *Jugend zwischen 15 und 24. Eine Untersuchung zur Situation der deutschen Jugend.* Gieseking, Bielefeld, 1954. No price given.

70 per cent are opposed to State-run youth organizations (to wh in Hitler's day all had to belong). Spare-time occupations, n entirely free, comprise for 23 per cent sport; 22 per cent readi 21 per cent hobbies, such as stamp-collecting, hiking, etc. T cinema attracts 83 per cent at least once monthly, 27 per cent o a fortnight, 12 per cent once a week, and 7 per cent oftener. T size of the village or town in which they live plays its part he Of the cinema-goers, 13 per cent prefer films of some artis value, 7 per cent films of adventure, and 6 per cent love stori

The qualities required for a future wife or husband are perh not formulated in quite the same way as Anglo-Saxon you people might choose, and a comparison, if one were available the British side, might be of interest. Of the boys, 40 per cent ask for 'good housewifely characteristics'; 16 per cent for 'kindne love, and comradeship'; 14 per cent for 'a smart appearance'; per cent for 'industriousness'; 12 per cent for 'fidelity'; 10 p cent for 'economical habits', and only 3 per cent for 'money of l own'. The total here is far more than 100 per cent; this is owing combinations of characteristics favoured sometimes by the sa person. Among girls, fidelity is the foremost demand on t feminine side (24 per cent, as against 12 per cent of boys); n comes a general call for 'love, kindness, and comradeship' (in tl order); 20 per cent require 'good character', and no less than per cent 'ability, productivity, and industry'. Religiousness, quality that even the most casual observer cannot fail to note Germany, is called for specifically by 1 per cent of the males a 3 per cent of the females.

How far a tendency to obedience is a specifically Germ quality was tested by a request for views on the saying: 'T young should obey and not criticize.' With this 47 per cent males and 53 per cent of females agreed, a figure which rose 60 per cent in the case of the daughters of agricultural workers.

A few children found some initial difficulty in answering t question 'What qualities should a good teacher have?' but 91 p cent knew what they wanted. Of these, 42 per cent called f 'teaching ability', 31 per cent for 'kindness and not too mu severity'. 'Cleverness,' 'justice', and 'authority' followed.

A proportion ranging from 62 per cent to 80 per cent accordi to the parents' status (agricultural workers being the highest a those with fixed incomes the lowest) thought that the educati which they themselves had received from their parents was on t

ght lines. 'More severity' was demanded by 4 per cent, 'kindness ıd indulgence' by 6 per cent, 'more modernity' by 8 per cent.

'What historical German figure do you admire most?' This ıestion was understood by the candidates to be a political one ıd was answered accordingly, but only 64 per cent answered it all. Of these, 17 per cent of the youths and 12 per cent of the rls gave their vote to Bismarck, and it is noteworthy that of e most highly-educated group 23 per cent selected the Iron hancellor. Next came Frederick the Great (6 per cent) followed y a dead heat between Hitler, Rommel, Hindenburg, Charle- agne, Goethe, and Luther, all of whom received 3 per cent.

Of the candidates above school age, 80 per cent were already llowing an occupation. Of these, 55 per cent were satisfied and) per cent were not. The reasons for their choice of occupation ıried: 36 per cent had been able to enter the career to which they ıemselves had aspired; 30 per cent had 'no objection' to their b; 11 per cent said that they had chosen it from motives of curity, and 9 per cent had followed in their fathers' footsteps—a roportion which rose to 27 per cent among the children of land- orkers. Of interest in a country of long hours, hard work, and mewhat restricted social benefits is the fact that only 6 per cent und their work fatiguing or unpleasant and only 3 per cent called ıe pay 'bad'. The girls were more easily satisfied than the youths.

The choice of reading matter was inquired into closely. The ıswers showed that 76 per cent of the males and 64 per cent of ıe females read a daily paper. Of these 18 per cent turned first the local pages, 14 per cent to the sporting items, 13 per cent to ıe political columns and leading articles, 11 per cent to features, per cent to advertisements, and 4 per cent to the police reports.

The theatre is of course a great attraction in the larger towns here 59–79 per cent attended regularly, 14 per cent of them eing chiefly impressed by opera and 10 per cent preferring oper- tes and classical pieces; modern 'problem plays' followed with per cent. The cinema we have already dealt with. Television is ractically unknown in Germany though it is being gradually ıtroduced. From 49 per cent to 82 per cent of the young people, owever, listen to the radio. Light music is preferred by 30 per ent, plays by 10 per cent, and classical music by the same pro- ortion; sport attracts 6 per cent; broadcasts for schools and oung people and also sports programmes are heard by 8 per cent, ıe news by 6 per cent, jazz by 4 per cent, and religious pro-

grammes by 1 per cent (these are the girls between 18 and 21)

A question about 'favourite tunes' produced a wide respor only 13 per cent being unable to state a preference. This was 19 per cent of cases for 'jolly' popular songs, in 13 per cent sentimental ones, 11 per cent for concert airs, 10 per cent for fc songs, 9 per cent for operette, and 4 per cent for operatic tunes

Two fanciful questions regarding the fulfilment of wish-drea were intercalated before the more serious ones were resumed. Tl both began with 'If'. 'If you were suddenly given DM.1,000 (£8 what would you do with it?' was the first. They would save said 16 per cent of youths and girls alike. But 15 per cent wo spend it on furniture or otherwise 'on the house' (here the g predominated and in the case of those between twenty-one a twenty-five were as many as 33 per cent). The youths were only favour of this method of spending the money to the extent of per cent. The purchase of clothing attracted 14 per cent of whole and that of motor-cycles or scooters 13 per cent; tra would have been chosen by 12 per cent, and 9 per cent would h 'given something to help others' if the 'if' had materialized. N quite 1 per cent would have gambled or indulged in a spend spree. The other question was: 'What would you do if you co make yourself invisible?' Here the good fairies were not so much evidence: 32 per cent had no answer ready, and 8 per cent s that it was a silly question—the thing couldn't be done. Of males 11 per cent and of the females 20 per cent would like to 's on someone' who thought he or she was unobserved; 11 per c of the males and 7 per cent of the females would like to play tri to their own advantage. The same proportion would like to tra about. Two contrary trends were found with 5 per cent willing do good unseen, and 3 per cent to 'steal money'.

Two questions which were intended to clear up the views of young towards certain Biblical precepts led to a certain amount confusion, though the answers in each case seem interesting. Tl asked for the examinee's standpoint towards, on the one hand, ' eye for an eye and a tooth for a tooth', and on the other ha 'Love thy neighbour as thyself'. Curiously enough, the answ overlapped. About 60 per cent of the youths and 40 per cent of girls agreed with the Mosaic command, while 84 per cent of candidates also stood by the Christian one. There was little diff ence between the denominations. Knowledge of the Bible was m widespread among the girls, and quotations from the New Tes

ment were recognized by 47 per cent of them. Of the youths, 40 per cent had no knowledge at all of the Bible.

The subject of prayer was one on which there was some reluctance to answer, but the 63 per cent who were prepared to do so fell into groups showing, as might have been expected, that 50 per cent more girls prayed than boys. The figures were: Yes, 42 per cent; No, 21 per cent. Protestants prayed less than Catholics, the figures being 35 per cent and 54 per cent. Church attendance again claimed more girls than boys. The curious period of one month was taken as a basis for the inquiry, and in this 53 per cent of boys and 64 per cent of girls went to church 'at least once'. For Protestants the proportions for both sexes together were 47 : 53, for Catholics 80 : 20, in favour of church-going. In the larger towns only 45 per cent of the young people went regularly to church.

Burning problems of national policy were then approached. In the first place the questioners were concerned to find out whether the German State in its present form would be defended by the young people if it were to be attacked in public discussion. For its defence there were 71 per cent of the boys and 67 per cent of the girls. Of these, 82 per cent were the children of persons in independent posts and 79 per cent those of officials. No answer was given by 10 per cent. The most critical of the republican form of State were girls between twenty-one and twenty-five (24 per cent) and the children of pensioners, the disabled, and others with small fixed incomes (36 per cent), then agricultural workers (32 per cent), and unskilled workers (23 per cent).

Compulsory military service showed a division of opinion. Asked whether it was 'the best education for a young man' 55 per cent said 'yes', with the girls slightly in the majority, and 41 per cent denied it (this time with the males leading by 9 per cent). Here again the children of land workers showed 87 per cent for it and those of officials 48 per cent against it. A further question, 'Does a man look better in uniform?', brought 53 per cent of votes from the girls and 46 per cent from the youths. Children from the country were the most enthusiastic. 'The flag means more than life itself' was a thesis with a majority of 67 per cent against it.

'Would you like to be a soldier?' was the next question. 'No', said 79 per cent of those between twenty-one and twenty-five, but 36 per cent of new arrivals in the Federal territory (including therefore refugees from the Russian Zone) said 'Yes'. Only one per cent refrained from answering. The question was pressed.

Those who had said 'No' were asked whether 'in excepti
cumstances' they might change their mind. Not so, said
cent—'no' meant 'no'. A total of 25 per cent of the males c
that 'for defence' they would be prepared to join the force
cent in case of conscription. Small percentages impos
ditions: 'If treated well and given full rights' (4 per ce
peace time only' (2 per cent); 'To liberate the Eastern Z
East Germany' (1 per cent), 'In a German army' (1 pe
Germany ought to be an equal member of a European Ass
of Powers, said 65 per cent, while 28 per cent wished her
independent State.

The name of President Heuss was unknown to 11 p
and that of the Chancellor, Dr Adenauer, to 6 per cent.
what loaded question: 'Would it be better to leave polic
man who controls the power of the State?' (Dr Adenau
duced a negative majority (males 62, females 53 per cen

Only 11 per cent spoke favourably of Hitler; 47 per ce
opposed to him, in some cases violently so, but 35 per cen
nothing to say. The 11 per cent praised his 'courage a
power', his oratory, and his simple life. One per cent fo
'capable' and a man who 'wanted what was best'. Hi
responsible for the lost war, according to 9 per cent
explanations for losing it were 'superior power against Ge
37 per cent; 'treachery', 11 per cent; 'bad leadership', 7 p
'because we began it', 1 per cent. Only 1 per cent conside
the war was lost as a result of the Allied air attacks.

The Jewish question was raised indirectly in an inquiry
marriage between a non-Jew and a Jew could be success
answers were almost exactly 50 : 50. So quickly have the
taught by Hitler been forgotten.

To sum up: ability and willingness to think for themse
a disinclination to accept ready-made views were among t
interesting features of the replies given by this small cross
of German young people interviewed. Parrot-like r
seemed to have disappeared—superseded, if not by great
at least by a readiness to look at the point of view of other
try to understand it. Disillusionment was found coupled w
gress, and cynicism with a determination to learn. One
wish that the numbers interviewed had been ten times

E.

THE WORLD TODAY

Volume 10   *No.* 10   *October* 1954

*

Notes of the Month

Tempest Over Taiwan

BOTH the Nationalists on Formosa and the Communists in Peking undoubtedly had good reasons for promoting the recent bursts of activity over the question of Formosa and its dependent islands. The Nationalists have long pinned their hopes of a return to the mainland on the outbreak of a major conflict in which China and the United States would be fighting each other. They were bitterly disappointed with the fact that agreement was reached at Geneva on Indo-China, as their verbal assaults on 'Churchill's appeasement policy' show, and they had every reason after Geneva to wish to prevent a lowering of the temperature in the Far East. During May Taipeh broadcasts referred to 'the increasing activities of the Chinese Air Force off the Chekiang coast' and claimed that 'during recent months the Communists have been greatly threatened by constant attacks by the Nationalist Navy'. That these broadcasts were in English suggests that they were directed to American opinion. The Nationalists cannot afford to let it be thought that they are not active and effective opponents of the Communists, worthy of support. And the ideal aim of their policy must be to get the United States actively engaged in the defence of their island outposts close to the mainland shore and so openly at war with their Communist opponents.

But in fact the increase in activity off the China coast in recent months seems to have come rather from the Communists than from the Nationalists. Minor Nationalist raids and small-scale naval and air activity along the coast have been going on steadily at least since President Eisenhower lifted the U.S. ban on such Nationalist activities in February 1953. Since the Korean Armistice was signed, however, the Communists have had an opportunity to concentrate such naval craft as they have along the Fukien and Chekiang coasts, to bring down aircraft hitherto employed in North Korea,

and to strengthen the land forces concentrated opposite and Nationalist patrol activities and raids seem to have meet greater resistance in the spring of this year.

Then in mid-July, as the Geneva Conference drew t the Communists must have seemed a most satisfactory c Formosa suddenly began to bulk large in Chinese C propaganda. The campaign reached its peak in Au 1 August General Chu Teh, the Commander-in-Chi speech on the anniversary of the founding of the Army almost all his time to Formosa, and on 11 August Ch the Prime Minister, finished his report to the Governme on the Geneva Conference with a similar stateme attacked the U.S. for trying to conclude a 'so-called treaty of mutual security' with Formosa and a 'so-call East Asia defence alliance'. He went on to complain, as also, that the Kuomintang was increasingly harassing th China and that amongst other things it was misleading seas Chinese and that it 'inveigles their youth to serve as fodder'. The overseas Chinese are, of course, a useful foreign exchange and a valuable potential fifth column East Asia. Chou stated that 'the Government of th People's Republic once again declares that Taiwan is Chinese territory, that its occupation by the U.S. cannot be tolerated, and that it is equally intolerable placed under U.N. trusteeship. . . If any foreign aggress prevent the Chinese from liberating Taiwan . . . they upon themselves all the grave consequences of suc aggression'. He finished up by claiming that 'the U.S. aggression and war is the source of all calamities and mis

Propaganda campaigns do not start spontaneously munist China, and their aims are not necessarily conce their subject matter. It seems unlikely that the Chin propose to attempt an invasion of Formosa in the next fe Even if they had command of the sea the weather woul formidable obstacle until the spring, and an airborn would require massive Russian support. An attack on Q one or more of the other minor islands near the Chi would be a much more practical proposition and might psychological as well as practical dividends. But even wit a landing the campaign seems already to have had its us nally, there have been reports of peasants in distant part

pledging themselves to raise output and release more grain to the Government in aid of the liberation of Taiwan. The floods were spreading when the campaign was started, and 'Oppose American aggression' has always proved a most useful distraction. Equally, the parallel campaign against 'KMT agents and spies' may well prove useful against those whose enthusiasm for the regime is flagging. Externally, criticism of American policy has been heightened in Britain and elsewhere.

Altogether, therefore, both Nationalists and Communists have reasons for approving the present outburst. Only the United States, which may get entangled into supporting the Nationalists to extremes and whose moral position may in the process be severely weakened in the eyes of the non-Communist world, stands to lose.

After the Anglo-Egyptian Agreement

THE Anglo-Egyptian agreement over the Suez Canal base has so far had encouraging results in the Middle East. Negotiations had dragged on for so long that agreement might have been achieved in bitterness. The Egyptian press and radio did not make a great point of arguing that an enemy had been defeated, but discussed the agreement on the whole with friendliness. Much of the sting has been taken out of the anti-British propaganda on the radio and in the press since the agreement.

The impression gained of reactions in other parts of the Arab world is not that Britain has lost prestige by coming to the agreement, but rather that she has shown appreciation of new conditions. Anyway it is a relief to many of those in charge of affairs in Iraq, Saudi Arabia, Syria, the Lebanon, Libya, and elsewhere in the Arab world that the Canal question, which was confusing Arab relations, is settled. Egypt had rather imperiously warned off other members of the Arab League from being too friendly with the West until her own affairs were settled with Britain. Now Egypt has adopted a more practical policy towards such neighbours as Iraq, and is working to undo the harm caused by the Egyptian radio and press campaign against Iraq during the last few months. Major Saleh Salem, the Egyptian Minister of National Guidance, has been travelling round the other Arab countries to work out plans for strengthening the Charter of the Arab League and developing the League regional security system. In his impulsive way, however, he said too much in Iraq. In stating that

Egypt did not object to unions between Iraq, Syria, an
founded on the will of the people, he was bound to
Government of Saudi Arabia; as a result he earned a r
Colonel Nasser, the Egyptian Prime Minister. With
Said's visit to Cairo before proceeding to England there
improvement in Egyptian-Iraqi relations.

By coming to the agreement with Britain, Egypt has
she is with the West in her thinking on strategic mat
would be a great mistake to think that Egypt is going
further than that at the moment. Cairo Radio repeatedly
es that the Anglo-Egyptian agreement is in no way an al
Egyptian Premier has made it clear that there is no
being tied up to the Western Powers in any Middle E
scheme. At the same time he is anxious to have a strong
he wants the co-operation of Britain to help make it st
is concerned about recent Arab negotiations and
ending of the embargo on arms from Britain and othe
She finds it hard to accept the present argument
defence of the Middle East should be left to the A
themselves through their collective security pact. Th
so far meant nothing, but it is possible that followin
Prime Minister's visit to Cairo and talks with Saudi
other Arab States the pact may achieve some meaning
tiveness.

The newly planned annual Islamic Conference at M
occasion of the pilgrimage is another organization bein
bring the leaders of the Moslem World together. This
wider basis than the Arab League as it will include le
Pakistan, Indonesia, and elsewhere. It is one of Ga
Nasser's dreams which is coming true; he talks of it in h
ing pamphlet called *The Philosophy of the Revolution*,
originally published as articles in the Government
Al Gomhouria, about a year ago. The pilgrimage, he wr
be a great political power and there should be 'a regu
congress wherein the leaders of Moslem States, their p
their pioneers in every field of knowledge, their writers
ing industrialists, merchants, and youth should draw
universal Islamic Parliament the main lines of polic
countries and their co-operation together until they n
Whether this annual conference will be more than just
tunity for leaders to meet remains to be seen. If it

political organization or secretariat, its relations with the Arab League will have to be worked out.

Now that the emotions connected with British occupation and the Suez Canal base have been set aside, it is expected that the Revolutionary Command Council will also be able to turn more attention to the home front, improve social conditions, and make their land reform projects more effective. It is only by giving Egypt an efficient administration which carries out much-needed reforms that the Government can win popular support. This will be a hard task, for Egyptians do not accept discipline easily; the majority of lawyers, journalists, and land-owners have been antagonized, and the Government is having difficulty with a fairly large section of the students.

The greatest danger to the regime comes from the Moslem Brotherhood, which has stated that it will sabotage the Anglo-Egyptian Canal Zone agreement and will try to bring down the Government. The Moslem Brotherhood has for many years had a well-disciplined organization throughout Egypt. It is a rallying centre for frustrated students, fanatical Moslems, and the old-guard Wafdist politicians, and is also made use of by Communists. It is significant that the Government has decided to try to keep a check on the Friday Kuthbas, or homilies, preached in the mosques; the Moslem Brotherhood has for long made use of the occasion of the Friday prayers to propagate its attacks against the Government.

The Brussels Treaty

DURING Mr Eden's European journeys there have been frequent references in the press to the Brussels Treaty. There have been suggestions that Germany should be admitted to N.A.T.O. and that the Brussels Pact should be extended to include Germany and Italy. The Brussels Treaty, signed on 17 March 1948,[1] was a 'comprehensive alliance' of five Western European Powers—Britain, France, and the three Benelux countries. It declared (Article I) that the High Contracting Parties '. . . will so organize and co-ordinate their economic activities as to produce the best possible results, by the elimination of conflict in their economic policies, the co-ordination of production, and the development of commercial exchanges'. They would 'make every effort in common, both by direct consultation and in specialized agencies, to

[1] Cmd. 7883 (1950).

promote the attainment of a higher standard of livin
peoples and to develop on corresponding lines the social
related services of their countries. The High Contracti
will consult with the object of achieving the earlies
application of recommendations of immediate practica
relating to social matters, adopted with their approval in t
ized agencies. They will endeavour to conclude as soon
conventions with each other in the sphere of social
(Article II). Under Article III the High Contracting I
clared their intention of making every effort in commc
their peoples towards a better understanding of the
which form the basis of their common civilization and t
cultural exchanges by conventions between themsel
other means'.

The primary purpose of the Treaty was, however
Article IV reads: 'If any of the High Contracting Parties
the object of an armed attack in Europe, the other High
ing Parties will, in accordance with the provisions of Ar
the Charter of the United Nations, afford the Party so a
the military and other aid and assistance in their po
signatories undertook (Article VI) that none of them w
clude any alliance or participate in any coalition direct
any of the other High Contractng Parties. For the p
consulting together on all the questions dealt with in t
the High Contracting Parties declared their intention (A
to create a Consultative Council so organized as to l
exercise its functions continually. Article VII continue
request of any of the High Contracting Parties, the Co
be immediately convened in order to permit the High C
Parties to consult with regard to any situation which m
tute a threat to peace, in whatever area this threat shc
with regard to the attitude to be adopted and the steps t
in case of a renewal by Germany of aggressive policy;
gard to any situation constituting a danger to economic

The Brussels Treaty Powers agreed in the autumn of
up a permanent organization to implement their comm
policy. After the signature of the North Atlantic
4 April 1949, this military organization of the Brussels
to a large extent absorbed into N.A.T.O. On 23 Nove
the Brussels Treaty Powers proposed to the North
Defence Committee that '(*a*) the Western European

Planning Group of the North Atlantic Treaty Organization should consist of the Chiefs of Staff Committee of the Brussels Treaty and its working staff, the Permanent Military Committee, with the addition of United States and Canadian representatives participating as appropriate, which should be named in accordance with the North Atlantic Treaty nomenclature when acting in its capacity as the Western European Regional Planning Group; and that the Defence Committee, the Commanders-in-Chief Committee, and the Supply Board, organs of the Brussels Treaty, should retain the functions and powers which they derive from this Treaty; and (*b*) that information on the Brussels Treaty Defence Organization and the work already done or being carried out should be forwarded to the North Atlantic Standing Group so that they may bear it in mind when recommendations are made to the North Atlantic Military Committee.'[1]

The purpose of the proposals now being made to extend the Brussels Pact would therefore appear to be the closer association of Great Britain as a signatory of this Treaty with the six E.D.C. Powers, within a specifically European framework. Since the Western European Regional Planning Group for N.A.T.O. effectively achieves this on the military level, it may be assumed that the new link thus to be forged between Great Britain and the other signatories of the Brussels Pact is primarily political rather than military.

[1] ibid. p 11

France's Problems after the Rej
of E.D.C.

ON 30 August, two years and three months after the s
the European Defence Community Treaty, whose pro
then been under discussion for some eighteen months,
Assembly refused, by 319 votes to 264, to ratify the T
years of argument and negotiation—on the necessary an
extent of military integration; on the constitution and
the proposed supra-national organs; on the terms on w
Britain might agree, if not to participate, at least to be
with them; on the need for supra-national political co
proposed supra-national Defence Community; on th
'additional protocols' enabling France, at least during
period, to retain a national army alongside her Europ
gents; on the need for the 'Europeanization' of the Saa
dition of ratification of the Treaty and of the means by
could be achieved in the absence of a German Peace
the need for further British and American guarantees in
the five existing British and two existing American g
on the need for a further series of additional protocols
application of certain provisions of the Treaty giving to
national organs powers hitherto reserved to sovereign
modifying others in order to protect certain of France's
interests; all this has led to nothing, or almost nothing.

Writing in *Le Monde*, M. Jacques Fauvet claimed th
positive lesson was to be learned from the ratificati
namely, that no solution to the problem of German r
that failed to provide for British and American participa
be acceptable to the French Assembly.[2] Some non-C
left-wing opinion was able to discern a second positi
ment: 'Now that the danger (i.e. of E.D.C.) has bee
wrote *Combat*, 'now that our country retains her indepe

[1] The Dunkirk Treaty of March 1947, the Brussels Treaty of
the guarantee signed in May 1952, the protocol signed by Grea
other members of the Atlantic Treaty Organization guaranteeing ea
any member of E.D.C., and the tripartite declaration signed b
States, British, and French Governments guaranteeing the integr
On these points see 'The European Defence Community' in *The*
June 1952 and 'The European Defence Community: Problems of
in *The World Today*, August 1954.

[2] *Le Monde*, 1 September 1954.

remains master of her own destiny and of that of the French Union, a tremendous relief has made us forget past fears.'[1]

It has not, of course, escaped the notice of some Frenchmen that that relief is shared by none of France's allies, though it is exultantly shared by her only immediate potential enemies, the Soviet Union and its satellites. Nor has it escaped their notice that neither the French Assembly itself nor the parties or organizations that have since issued declarations gave any indication as to what those now freed from fear of E.D.C. proposed to put in its place. The latter did, however, reveal a continuing preoccupation with precisely those fears which had led to the four years' deadlock culminating in a negative vote, and *Le Monde*, while congratulating France on the possession of 'some diplomatic trump cards', did allude, in passing, to the risk that she might find herself without an essential winning one: 'It would seem,' said the editorial, 'that there is at present no majority in the Assembly, either for E.D.C., or for the *Wehrmacht*, or for the neutralization of Germany.'[2]

This, then, is the situation from which M. Mendès-France has to start in his search for an alternative to E.D.C. Up to now, what has prevented a positive majority in the Assembly has been the conflict between three attitudes, which are not so much policies as beliefs, or *mystiques*, and which, as such, have been proof against all reasoned appeals for compromise. Now that one pretext for their disagreement—E.D.C.—no longer constitutes an issue, is there any chance of reconciling them?

It must be said that the immediate repercussions of the ratification debate do not justify any very optimistic conclusions on this point. The Communists are, of course, permanently in opposition and so can be left out of account. Up to now, they have always voted solidly against any and every plan for rearming Germany. It is, perhaps, too soon to express fears of a continued deadlock between the other two approaches, while the parties are still suffering from the shock of a negative vote after four years of argument, and while there is so much bitterness as a result of the prolonged wrangling over the problem of German rearmament and as a result of the use of a procedural device to obtain the rejection of E.D.C. Allowances must be made, too, for the French habit of beginning negotiations by expressions of extreme intransigence, which often seem to outsiders to rule out any possibility of success

[1] *Combat*, 31 August 1954.
[2] *Le Monde*, 1 September 1954.

from the outset. It still remains that, for M. Mendès-
find a formula acceptable to a majority of the Assembl
have to persuade a number of Deputies to eat their wor
turn their backs on policies that they have defended
against bitter attacks. And the two parties that hold the
success or failure, the M.R.P. and the Socialist par
serious problems of their own which make such a chang
peculiarly difficult at the present time.

Even if M. Mendès-France brings about the miracle an
his majority for a positive plan for German rearma
troubles will be far from ended. He is faced, at the mo
with one but with two internal dilemmas. If he fails to
the two left-wing (or predominantly left-wing) groupi
may, for the moment, be summarized as forming respe
'eyes on Germany' and the 'eyes on Europe' schools of th
must rely in the main on the support of the Right. The r
apathetic supporters of E.D.C. 'on conditions', together
opponents of E.D.C. who would prefer to see Germany in
even at the cost of recreating the *Wehrmacht*, could, no
persuaded to agree on the alternative which M. Mendès
believed himself to favour, namely the admission of G
N.A.T.O., together with some guarantees for the more 'I
minded', or for those who are more apprehensive
Germany, in the shape of some form of armaments poo
political complexion of such a majority would have
consequences on M. Mendès-France's policy in other f
one of its first actions would undoubtedly be to get
Mendès-France himself and, with him, of his North A
economic policies. The main aim of his experiment wou
defeated. By concentrating on one thing at a time, he
endeavouring to escape from the deadlock which ha
throughout the life of the present Parliament, owin
existence of different majorities in the fields of int
external policy—a deadlock that has either caused Gover
fall as soon as they have tried to take decisive action in
or has permitted action only as a result of lengthy and
bargaining. M. Mendès-France has sought to put an e
paralysis by reaching speedy decisions on three of the m
problems (Indo-China, North Africa, and E.D.C.) in
make a start on the long-term problem of economic reor
and modernization which, in his view, constitutes the

dition both of France's recovery of prestige and power in
ope and also of her ability to defeat Communism at home,
ich would in itself constitute a major contribution to the
ngth of Western Europe.

f, in providing an alternative to E.D.C., M. Mendès-France's
vernment has to give way to a right-wing Government, then,
e again, there will be two or more irreconcilable majorities in
Assembly. For his North African and economic 'new deals' are
ported by differently constituted majorities of the Assembly. It
asy to imagine, too, the use that the Communists could make of
return to governmental instability and *immobilisme*, and the
ible that they could create for right-wing Governments, both
he industrial field and in North Africa.

he only alternative majority would have to include, along with
Gaullists, the majority of the M.R.P. and the Socialist parties,
of whom are in favour of M. Mendès-France's experiment. But
se are precisely the groups whose respective views on the prob-
of German rearmament have been and would seem still to be
concilable.

The fifty-nine Socialist Deputies, together with some Radicals,
constitute the 'eyes on Germany' school of thought are either
lly opposed to German rearmament in any form, as are
M. Jules Moch and Daniel Mayer, or else opposed to a 'Euro-
n' solution involving Franco-German military integration in
ne 'supra-national' organization. For these latter, as a pamphlet
blished by anti-E.D.C. Socialists put it: 'It is not true to say
t a European army prevents the formation of a German army.
eads to it.' How far some of them would have agreed to such a
ition if Great Britain had been included has never been clear
l is now, in any case, irrelevant. Their rejection of it has, of
essity, taken a negative form, owing to the British initial refusal
accept the supra-national principle.

The supporters of this view are so haunted by the fear of
rmany that they either overlook the Russian danger altogether
else minimize it to a point that all other parties (except the
mmunist Party) consider to be dangerously unrealistic. They
ieve, as does the German Social Democratic leader Herr
enhauer, that the division of Germany constitutes a permanent
eat to peace which would be intensified by German rearma-
nt. The way to ensure lasting peace in Europe is, therefore,
y argue, to reach an agreement with the Soviet Union on the

conditions of German reunification and, if possible, of generi disarmament.

This is, of course, the familiar 'neutralist' line of argument. It irreconcilability with the views of the 'European' school of though derives essentially from the two assumptions, more often than nc unstated, on which the pleas for agreement with Russia are basec The first is that such an agreement is reasonably to be expectec and that the West's bargaining power is in no way reduced i negotiations are undertaken from a position of relative militar weakness. The second is that it is still realistic to count on its bein either physically or politically possible for the West to continue t impose disarmament on the Federal Republic. Little or no refer ence is ever made to the mention in the Russian Note of 10 Marcl 1952 of the possibility of a conditional Russian agreement, nc merely to German rearmament, but to the formation of a Germa national army—to which the French Communist Party has always up to now, been vociferously opposed.

The following quotations represent a fair sample of the argu ments—or rather hopes—expressed by this school of though The rejection of E.D.C. has, if anything, strengthened their con victions.

On the strategic plane, the withdrawal of Soviet troops to the Eas the evacuation of East Germany, Poland, Czechoslovakia, Austria Rumania, and Hungary would provide adequate compensation for th few German divisions contemplated as an addition to the N.A.T.O forces. . .

Disarmament would provide stronger guarantees of security tha German rearmament. . .

German rearmament was originally envisaged at a time of grea international tension. . . In 1954, conditions are no longer the same; th danger of war is less threatening and the military disequilibrium ha already been reduced. . .

(From a pamphlet published in April 1954 by anti-E.D.C Socialist Members of Parliament.)

Fourteen divisions, in an atomic age, do not constitute a militar contribution to Western defence that begins to compensate for the long term political dangers and the short-term dissensions that their forma tion would entail. . .

(M. Duverger in *Le Monde*, 9 September 1954).

We want to achieve peace, not through the rearmament of certai countries, but by peaceful methods. . . We have grounds for the belie that there would be support for a study of the Franco-British disarma

ment proposals. . . I prefer a four-Power guarantee to the compromise of a Europe consisting of six countries.

(M. Herriot in the Assembly, 30 August 1954).

Militarily, it is clear that the only solution is an agreement between East and West on a method of control. Such an agreement could be a possible starting-point for a more general agreement on internationally controlled disarmament.

(*L'Express*, 21 August 1954).

. . . a universal, or even continental, equilibrium of forces is unattainable. We ought, therefore, to undertake without delay, and to maintain with persistence, negotiations for disarmament. It follows that we ought also to refuse to rearm a disarmed nation or, at the least, put off such a step as long as there remains any hope of reaching an agreement on disarmament.

(M. Jules Moch in *Alerte! Le problème crucial de la Communauté Européenne de Défense*, Laffont, 1954, p. 275).

The fear that if Germany is not rearmed *for* us, she may prefer to be rearmed *against* us on terms negotiated with Russia, though apparently not one of the many fears of Germany felt by the anti-E.D.C. Socialists and neutralists, is felt very strongly by the M.R.P. and some Conservatives, and has been openly expressed by M. Pinay, as a reason for supporting E.D.C. The 'European' approach is already well-known in this country. It differs from the neutralist approach essentially on three points. While not wishing to reject any opportunity of negotiation with Russia, the 'Europeans' believe that the effectiveness of negotiations would be directly related to the military strength of Western Europe and that, far from constituting a dangerous provocation to Russia, a rearmed Germany within the framework of a Western European defence organization would be a strong bargaining weapon on the side of the democracies. Secondly, they believe that Germany should be rearmed only within the framework of a supra-national community, which would guarantee Europe against a revival of the *Wehrmacht*. And thirdly, for them, supra-national organizations such as E.D.C. and the Coal and Steel Community are the necessary first steps on the road to a united or federal Europe, which would be one of the best guarantees of lasting peace.

Statements made by both the former supporters and the former opponents of E.D.C. do not, at first sight, seem to hold out much hope of compromise. The M.R.P. executive committee has issued a statement declaring that it will never consent to abandon the idea

of building Europe; the French committee of the European mov
ment (which includes all the leading Parliamentary advocates
E.D.C.) has stated that it will never consent to the creation o
German national army. M. Guy Mollet, as the leader of the fi
Socialist Deputies who supported E.D.C., and of the major
view in the party outside Parliament, has stated in the Assemb
that under no circumstances will the Socialists agree to the reco
stitution of a German national army, nor will they support eith
a 'little N.A.T.O.' of seven and an armaments pool.

Both Socialists and M.R.P. have problems which render com
promise difficult for them. The disappearance of General de Gau
from the political scene is confidently expected to lead to a retu
to the M.R.P. of many of the votes lost by them to the Gaullists
1947 and 1951. The party may, therefore, hesitate to abandon
Europeanism, at a moment when the Gaullists have stolen some
its thunder in the field of North African and economic policy. T
E.D.C. issue has split the Socialist party in two. The party h
already been weakened by the loss of half its parliamentary lead
in 1945; the majority section led by Guy Mollet may, therefo
prefer rebuilding party unity on a policy of outright rejection
German rearmament to perpetuating the division and also t
bitterness which has resulted from the expulsion of MM. Jul
Moch and Daniel Mayer, both leaders with magnificent Resistan
records.

If M. Mendès-France succeeds in resolving this serious intern
dilemma, he may then be faced with difficulties scarcely less gre
in his relations with the other European Powers. It looks at t
moment as if he is relying on British support for the third of t
solutions favoured by the anti-E.D.C. groups in the Assembl
namely, East-West talks, a 'little N.A.T.O.', or German admissi
to N.A.T.O. East-West talks, which the Communists, as well as t
neutralists and other anti-E.D.C. Socialists, want, would seem
be ruled out at this stage on account of British opposition, if n
of M. Mendès-France's anxiety to prove to his fellow Deputi
and to the rest of Europe that he is not the neutralist that h
political enemies have alleged him to be. But a plan for the a
mission of Germany to N.A.T.O. with or without an armamen
pool might still create difficulties for the members of 'little Europ

The ratification debate revealed, indeed, the extent to whi
France is, today, out of step with *all* her allies. There are Briti
politicians in all parties who share the French view that Britain

not without responsibility for the present situation, and who hold that the French were justifiably irritated at being urged by Britain to join a supra-national organization that the British took very good care to keep out of themselves.

There may be a good deal of truth in the first accusation. But as to the second, it should not be forgotten that British hostility to 'supra-nationalism' dates, not from May 1952 when the Treaty was signed, but from 1950, when the idea was first put forward by France; that British plans for a more or less unsatisfactory form of 'association' *followed* on the French decision to retain the supra-national principle, and that British anxiety for a speedy ratification of the E.D.C. Treaty was made manifest only when four of the other signatories had already ratified and when it became apparent that the French could agree on no alternative. Moreover, the protocols put forward by M. Mendès-France at Brussels, and to a lesser degree those accepted in 1952, represented requests by France to her co-signatories for the modification, or the postponement, of precisely those provisions in the Treaty which from the start had constituted the major obstacles to British participation. In 1952 France was becoming concerned about the effect of the Treaty on her relations with her overseas territories. Much earlier, Great Britain had put forward her Commonwealth obligations as an obstacle to participation in a European army. In 1953 France was concerned about the powers of the Commissariat and was endeavouring to restore—at least for eight years—the national veto which the supra-national machinery was designed to eliminate. She was concerned about the loss of her national system of military ranks, at the realization that the prevention of a German army would involve the disappearance of the French army, and about the effect on her heavy industries of a supra-national control of armaments production.

Thus, though it cannot be denied that Great Britain stood aloof, it is also undeniable that French opinion has moved steadily away from the original conception and nearer to the British position. Inevitably, therefore, France has moved away from her co-signatories. These, having accepted the 'Europeanism' of French Governments whose foreign policy was largely that of the M.R.P., ratified the Treaty (in two cases at the price of constitutional revision) and were naturally unwilling at this stage to make changes which, in their view, amounted to a repudiation of its basic principles.

The problem of Franco-German relations constitutes a th
dilemma for France. It has long seemed that the problem of
Saar was one of the major obstacles, if not the major obstacle,
the ratification of the E.D.C. Treaty. At the beginning of t
year the General Affairs Committee of the Council of Eur
adopted the so-called Van Naters Plan, and this was accepted
both France and Germany as a basis for the negotiations wh
were begun in London in March. The fundamental obstacles
Franco-German agreement on the Saar have been Gern
opposition to 'Europeanization' as long as no European Co
munity existed, and the refusal of France to agree to Fran
German integration in E.D.C.—which constituted the next s
towards a European community—until the danger of Gern
economic and military preponderance was mitigated by
political and economic separation of the Saar from Germany. T
merit of the Van Naters Plan was that it suggested a way of bre
ing this deadlock. It proposed a 'transition phase', during wh
Saarlanders would be asked to vote for or against a 'Europe
status, thus allowing time for European institutions to be streng
ened before a final decision was taken, which both sides would
expected not to challenge when it came to signing a Gern
Peace Treaty.

Now that E.D.C. is dead, the future of the whole 'Europe
structure has become more uncertain. Even before the decision
France not to ratify the E.D.C. Treaty, there were misgivi
regarding the functioning of the only other 'supra-national' Eu
pean organ, the Coal and Steel Community, and doubts had b
expressed as to the possibility of its survival as an isolated exp
ment. In any case, the willingness of Germany to agree to
Europeanization of the Saar depended on Dr Adenauer. T
failure of E.D.C., while it has strengthened Germany's posit
vis-à-vis France, has undoubtedly weakened Dr Adenau
position at home. His chief rivals, the German Social Democr
Party, have always taken a much more nationalistic line on
problem of the Saar.

It is true that neutralist opinion (as represented in the pages
Le Monde) and much of the anti-E.D.C. Socialist opinion wo
deny that France's international position is any weaker as a res
of the rejection of E.D.C. M. Duverger, who is admittedly
extreme exponent of neutralist views, argues, for example, t
France can (and, he implies, should) exercise her veto, both a

ber of N.A.T.O. and as a signatory of the Bonn Conventions, der to prevent Germany from taking advantage of the situa-[1] The strength of France's position is, in this view, not ical, but geographical. Put bluntly, this means that since the : cannot defend Europe adequately without France, France nake her own terms.

iis is admittedly an extreme and unrepresentative opinion. t is an influential and a highly vocal one, and in the situation nich M. Mendès-France finds himself at present, when every or twenty votes count, might perhaps be decisive. What the ers of these views seem to ignore is the possible effect of such titude on a union of peace-loving nations, which must draw gth from moral as well as military bonds. As expressed by Duverger, it amounts to advocating the kind of pressure on ce's allies that neutralists have been so ready to suspect the ed States of exercising on France. Pressure based on economic er and pressure based on geographical power would seem the moral point of view to be equally reprehensible.

l this undoubtedly presents a picture gloomy in the extreme. it represents only the immediate repercussions of the new tion. New factors, such as, for example, an unequivocal under-ling between France and Great Britain, could contribute a deal towards the emergence of a spirit of realism and com-nise. In the past, French difficulties have certainly been in-ed by misunderstandings, both of Mr Churchill's position ding European federation, and of the general British dislike ird and fast commitments in essentially fluid situations. The nents of E.D.C. claim that its rejection has cleared the air. truth of this is not yet apparent. But it could become a fact, form the starting point of a new and more firmly based oach, not merely to the problem of German rearmament, but at of the future evolution of European institutions.

D. M. P.

[1] *Monde*, 8 and 9 September 1954.

The German Approach to Convertibili

WESTERN Germany, one of the first countries to introduce forei exchange controls in the 1930s, now stands in the forefront of t countries which advocate the abandonment of restrictions on t use of foreign exchange, as well as a liberal foreign trade poli Although the system of exchange control regulations is still force in Germany, a great many trade and payments transactio have been liberalized and for others only formal approval is need Germany's liberal external policy corresponds to the grad freeing of the internal economy from most of the direct contr instituted before, during, and after the war. German Governme representatives, officials, and bankers have repeatedly stat Germany's intention to restore world-wide convertibility for t DM as soon as possible, and Dr Erhard, the German Minister Economic Affairs, is known as a particularly ardent advocate convertibility. He and many other German spokesmen have, ho ever, pointed out that Germany would move towards conver bility only in conjunction with other countries, especially t United Kingdom and as many as possible of the continen O.E.E.C. countries. Such an attitude is obviously conditioned Germany's position as a 'surplus' country, running huge balar of payments surpluses with the E.P.U. area and the Bilate Offset Account countries.[1] Germany is, therefore, anxious tl these countries should make their currencies convertible so tl her surpluses with them can be converted into dollars. At t present time a substantial part of Germany's surpluses with nc convertible countries takes the form of central bank credits e tended to them (via E.P.U. or the swings in the bilateral payme agreements). Any German move towards convertibility must ta heed that these credits be not unduly increased, as would alm inevitably occur if Germany alone adopted convertibility.

Before attempting to suggest ways in which Germany mig move towards convertibility it may be advisable to give a gene background picture of the present state of Germany's forei exchange liberalization.

[1] There are seventeen countries outside the E.P.U. area, with which Germ has concluded bilateral payments agreements, namely, Argentina, Bra Chile, Colombia, Ecuador, Paraguay, Uruguay, Bulgaria, Finland, Yugosla Poland, Czechoslovakia, Hungary, Egypt, Iran, Spain, and Japan.

THE PRESENT STATE OF FOREIGN EXCHANGE CONTROLS

Current transactions

) *Trade.* Western Germany has liberalized about 91 per cent
mports from the E.P.U. area ('liberalization' in this sense
ıns that any foreign trade agent can obtain an automatic import
nce and the necessary foreign exchange allocation). The basis
· for the calculation of the liberalization percentage is 1949, and
rernment imports are excluded. With very few exceptions all
materials and almost all manufactured goods have been
ralized, whereas for agricultural commodities liberalization
lies to only about 80 per cent and, if State trading[1] is also
:n into account, the 'effective' liberalization of agricultural
orts would affect only about 60 per cent. All the remaining
rictions are exclusively for protectionist or negotiating pur-
es.

Vith regard to the Bilateral Offset Account countries, Germany
a 'free import list' which was again extended in January 1954.[2]
ce Germany has credit balances with these countries, imports
ch formally are still subject to individual licences are in fact
iitted freely. With regard to the dollar area (plus all countries
ı which Germany has not established a payments agreement)
many introduced trade liberalization for the first time in
ruary 1954. A free list containing 2,000 of the 6,000 items on
official Statistical Nomenclature was published. The main
ducts on the free list include cotton, tobacco, non-ferrous
als, chemicals, wood, and a wide range of semi-manufactured
finished goods which represent, according to official German
mates, some 30 per cent of the value of all goods imported from
area in 1953.

i) *Invisibles.* According to an official German estimate, pay-
ıts for the import of services from all areas have been freed
he extent of 80 per cent. The most important exceptions at the
nent are expenditure for film rentals and insurance premiums.
h regard to the O.E.E.C. area, Germany complies fully with the
ralization code. Travel allowances for tourists to E.P.U. coun-
s are granted very liberally and the contractual allocation far

[1] State trading and imports operated by Central Import Agencies cover the
wing products: bread grains, coarse grains, rice, sugar, butter, fish oils and
le oils, fresh and canned meat, and bacon.

[2] A recent trade agreement (June 1954) concluded with Yugoslavia provides
ı practical liberalization of German imports to the same extent as for the
U. area.

exceeds the amount most tourists would normally spend. Germ bank notes can be imported in unlimited quantities and export up to the amount of DM300. Any German resident is entitled make payments abroad for any non-commercial purpose to countries outside the dollar area up to the amount of DM200 p quarter.

Germany has also resumed the free transfer of earnings fro investments, whether they have been made out of original forei exchange transfers or out of blocked mark balances. In practi there are no longer any restrictions in the way of transferring cu rent capital proceeds.

(b) *Capital transactions*

(i) *Investments by German residents*. All capital exports by Ge man residents are subject to control. Generally speaking, forei investment in the form of securities is not permitted. Permissi for the establishment of a German enterprise abroad is grant either by the Economic Ministry of the *Land* or by the Fede Minister of Economics, and export promotion is no longer t only criterion for such authorizations; it is sufficient that a Germ investment abroad should contribute towards strengthening t economic relations of Germany with other countries.

The transfer of capital abroad for private purposes (purchase real estate, etc) remains restricted: each application is consider on its own merits, and it may be assumed that transfers to E.P. and Bilateral Account countries are authorized more liberally th to dollar area countries.

(ii) *Blocked marks*. As from 31 March 1954 blocked mark ba ances which existed at that time may be transferred at the offic rate from Germany to all countries with which Germany has co tracted payments arrangements, i.e., all E.P.U. and Bilateral O set Account countries. Creditors with residence in the dollar ar may liquidate their blocked mark balances by accepting a transf in an E.P.U. currency or a currency of a Bilateral Account count The blocked mark balances held in the name of non-residents German banks include funds which became blocked both befo and after the war. In the past few years they have increased, mair as a result of the accrued earnings of foreign investment and par through the liquidation of blocked investments by non-reside who wished to transfer these funds eventually by way of t blocked mark trade. Blocked mark balances have also aris through capital appreciation of securities (the liquidation of t

rity holdings resulting in a larger balance than was necessary naking the investment) and through conversion of foreign ts originally granted in foreign currencies into blocked mark ıces after agreement with the respective debtors (e.g. the conon into blocked marks of the standstill credits). The total ınt of blocked mark balances at the end of March 1954 was t DM778 million ($185 million). Following the release, a of about DM131·5 million was withdrawn during the months pril and May 1954. The continuing discrimination against ents of the dollar area seems to have been due to the wish of ;erman authorities that these creditors should accept the withal of their blocked mark balances against an E.P.U. currency at Germany's E.P.U. credit position might be reduced. The ınt in question is less than $50 million, and if direct transfer ıe dollar area were permitted this would not threaten the nan dollar position, especially as not the whole amount is r to be transferred.

nce 16 September, 1954 new blocked mark balances which arisen after 31 March 1954 can also be transferred to all U. and payments agreement countries. The new regulations, unced by the Bank deutscher Länder that day, practically ı the end of the 'blocked mark era'. Under its terms all DM ıs of non-residents, which formerly had to be credited to ced accounts, can now be deposited either on the newly ed 'liberalized capital accounts', from which they can be drawn for investment in Germany, or on the 'partly conble DM-accounts' from which they can be withdrawn for ıfer abroad.

›art from the blocked DM balances described above, there in Germany assets held by foreigners amounting to about ›oo million. These include investments of all kinds, such as cipations in German enterprises, portfolio investments in nan shares and bonds, mortgage loans, and other loans liable arks, real estate, etc. These investments represent at present t 9,700 million DM, of which more than two-thirds belong to ents of the E.P.U. area. Theoretically, these assets can be erted into blocked mark balances, but in that case such ıces could not be transferred—under the existing regulations. · the liberalization of these transfers it is also unlikely that a :antial part of these foreign-held investments will be withn. As an example, one might quote the case of General

Motors' Opel factory or the Standard Oil Esso group, which w
certainly not be liquidated by their present legal proprietors.

About DM3,500 million in blocked funds have taken the form
restitution obligations to individuals—Jewish and other victims
the Nazi regime. Eventually an amount of perhaps as much
DM7,000 million is to become due to these individuals. As m
of the beneficiaries are domiciled abroad and their property
frequently of a non-commercial character, transfers abroad w
probably be made on a much wider scale than transfers of fore
investment, after the controls on these transfers have been
moved. As the restitution claims will become due in instalme
spread over a long period, the repercussion on the German bala
of payments will be only gradual.

(iii) *New foreign investment in Germany*. Foreign investment
Germany is permitted both in the form of purchase of Gern
securities and through the establishment of a production bran
A formal authorization by the competent Economic Minister
the *Land* where the investment is to be made is required. Exami
tion of the request for direct foreign investment takes account
the economic repercussions on Germany, but it is generally
considered as restrictive. Earnings and proceeds from new fore
investment can be transferred.

THE INSTITUTION OF CONVERTIBLE MARK ACCOUNTS

The Federal Minister of Economics and the Bank deutsc
Länder have issued decrees permitting, with effect from 1 A
1954, 'freely convertible DM-accounts' and 'partly converti
DM-accounts' by the German Foreign Trade Banks in the na
of non-residents (banks, firms, and private persons). All payme
relating to the transfer of goods, services, and capital transacti
can be made through these accounts. Funds in the 'freely c
vertible DM-accounts', which are available for residents of
dollar area, can be used without any restriction for payments
Western Germany, Western Berlin, and abroad. The B
deutscher Länder guarantees to exchange these free DM-accou
at any moment into dollars, on the basis of the foreign excha
rates quoted on the Frankfurt exchange. Funds in the 'partly c
vertible DM-accounts', which can be opened by residents of
currency countries, can be used for payments which are in acco
ance with the payments agreements with these soft curre
countries; these DM-accounts cannot be converted into free doll

Under this system, which was instituted a few days after a
allel step had been taken by the United Kingdom Government,
zilians, for example, can use their DM-accounts for payments
e made in Germany or in the E.P.U. area, and Swiss or Dutch
dents can use their DM-accounts for payments in the Argentine
Finland. The German exchange control regulations make this
dom of transfer possible, but the extent to which non-residents
e use of these possibilities depends ultimately on the exchange
trol regulations of their own countries. So far, the practical
ificance of the convertible or partly-convertible DM-accounts
been rather limited.

SIBLE FURTHER GERMAN STEPS TOWARDS CONVERTIBILITY

/hat further steps Germany will take in order to reach full
vertibility depends not only on the internal position of her
omy and her balance of payments developments but also on
measures taken by other European and extra-European coun-
s.

'he meaning of 'convertibility' is manifold and in its full signi-
ice expresses the power of any resident or non-resident to ex-
ige the national currency he holds or will hold at any moment
any other currency for any purpose—and without interference
n the authorities of his country. This form of convertibility
ld obviously make exchange control unnecessary.

t present it is not to be assumed that Germany is going to
itute this kind of full convertibility, as it exists, for instance,
e United States. The German exchange control will therefore
ain in force, and convertibility will be reached by (*a*) the
oval of existing restrictions on current trade and payments
sactions, especially those with regard to the dollar area; (*b*) the
itution of non-resident convertibility, both at the central bank
l and at the private level; (*c*) the gradual extension of free
tal movements. Steps in these directions need not necessarily
aken at the same time or in the order here suggested. German
tesmen have, however, repeatedly pointed out that converti-
y should imply freedom for both residents and non-residents
tilize DM for current payment. The German policy is there-
to institute what is commonly called internal convertibility, as
as external convertibility.

Removal of restrictions on current transactions

'he German concept of convertibility includes the removal of

restrictions on commercial transactions for residents. As has be pointed out earlier, the remaining restrictions on current trar actions apply mainly to the dollar area, while restrictions agai other countries are extremely small.

Germany maintains discrimination on payments against t dollar area, first in order to prevent her dollar balance of paymer from turning into disequilibrium, and secondly in order to avo a further rise in her grants of credits to other non-convertit countries. In 1953 Germany had a favourable balance of paymer with the dollar area largely owing to extraordinary receipts in t form of military expenditure by the United States authorities ai also because of lower payments on the foreign debt than can expected for the next few years. Furthermore, the demand f imports of dollar commodities was held back by licensing of in ports and a significant amount (almost a quarter) of dollar com modities were bought indirectly through payments agreeme countries. The liberalization of certain dollar imports last Februa has given rise to an increase in import licence requests (which a granted automatically) and German imports may therefore assumed to rise correspondingly. The figure of $100 million h been suggested as the approximate annual increase in Germ imports from the United States resulting from the partial liberaliz tion. It would however seem that Germany could, in present c cumstances, well afford a further reduction of discrimination the currencies of other countries, especially those with whi Germany has substantial surpluses, became convertible.

Under the present system of payments agreements Germa buys, for instance, certain kinds of commodities from Bilater Account countries which could be bought much more cheap from the dollar area (for example, oils and fats, where the differen in price is something like 25 per cent). As the swing margins pr vided for in the payments agreements with these countries ha mostly been reached or exceeded, a switching of imports from t Offset Bilateral Account countries to the dollar area would me that Germany could not maintain her exports to the Bilater Account countries at the previous rate, as these countries wou lose part of their means of financing imports. The abolition discrimination would therefore lead to a diminution of the to volume of trade with these countries.

In the E.P.U. area, where no fixed credit swings are provide the situation is slightly different. First, Germany already receiv

50 per cent of her surplus in gold or U.S. dollars. Secondly, proceeds of exports to one E.P.U. area country can be used for imports from any other E.P.U. country, and the whole E.P.U. area furnishes as much as two-thirds of German imports. Still, Germany is interested in not accumulating too large surpluses with the E.P.U. and would prefer to see a hardening in its terms of payment. If the soft-currency countries with which Germany has balance of payments surpluses were to adopt convertibility, Germany could then utilize her surpluses for payments to dollar area countries and would have no reason whatsoever to continue discrimination. On the other hand, it cannot be expected that Germany will force these countries into convertibility by renouncing the bilateral payments agreements. Germany has a very realistic approach towards convertibility and would certainly avoid any measure of financial policy which might compromise her commercial expansion.

(b) *Non-resident convertibility*

In contrast to the British position, Germany's immediate interest in this kind of convertibility is not very great. While the United Kingdom has a considerable interest in strengthening the acceptability of sterling as a world currency by broadening its use, Germany is unlikely to have such ambitions for the DM.

It is necessary to distinguish between non-resident convertibility at the central bank level and at the private level. If Germany institutes non-resident convertibility at the central bank level, only those countries which have a surplus in relation to Germany would be able to convert their DM into dollars. These countries are very few. The main one is the sterling area, which in 1953 had a trade surplus of about $140 million with Germany. The only Bilateral Account country which had a credit with Germany at the end of May 1954 was Colombia.

Germany has naturally a particular interest in seeing that other countries institute non-resident convertibility, so that she can transform her surpluses with them into dollars. A further reason is that the greater the movement of countries which institute convertibility, the less will those E.P.U. countries which cannot follow this movement be able to discriminate against the new hard-currency bloc.

As far as non-resident convertibility at the private level is concerned, Germany has already taken some measures which have been described above. A fusion of the freely-convertible and partly-

convertible DM-accounts would certainly be made the moment Germany introduces convertibility. The practical importance of these accounts naturally depends on the degree of liberty accorded to the foreign holders by their respective national authorities.

(c) *Capital transactions*

It seems likely that Germany will within the not too distant future remove the remaining restrictions on the transfer of foreign held mark balances to dollar-account countries. Germany has already extended the transfer right to all assets which were formerly blocked (namely property, participations, etc), to all payments agreement countries. In all likelihood this will not bring about a large withdrawal of funds from the country. Whether and when Germany will remove other restrictions on capital exports and imports will depend on the one hand on general political developments and, on the other hand, on the development of Germany's internal capital market. Adjoining the Iron Curtain, Germany is naturally in a situation where an aggravation of the political crisis would lead to large-scale capital flight if transfers were permitted. The German authorities must, therefore, have in mind this possibility and not abandon all controls which might again be needed. In their view, it is wiser to maintain controls and apply them with laxity than to relinquish them and, in the case of an emergency, be obliged to reintroduce them hurriedly. There are at present two tendencies which influence the German foreign capital situation. On the one hand, the removal of restrictions on capital movements would lead rather to an inflow of foreign funds than to an outflow, as the level of interest rates and the profit expectations in Germany are very high. This is perhaps a rather short-term phenomenon, and if the gradual fall of interest rates which has been going on for some time (though very slowly) continues, the capital inflows will be small. For this reason, as well as because of Germany's trade surplus, which can be expected to continue, Germany is likely in the long run to become a capital export country. In that case, there are good reasons for removing controls on capital transactions.

CONCLUSIONS

Because of her favourable external position and her internal financial stability, the maintenance of which is, as Dr Erhard has said, a primary objective of the Government, Germany seems well prepared to take further steps towards world-wide convertibility

of the DM. German gold and foreign exchange reserves at the end of June 1954 amounted to $2,300 million, which corresponds to more than six months of total imports. About $1,500 million, or almost two-thirds of these reserves, were in gold and dollars, the rest consisted of various E.P.U. currencies and credits to E.P.U. and Bilateral Account countries. The ratio of foreign exchange reserves to total imports in Germany is higher than at almost any time in the inter-war period and provides a powerful cushion against eventual short-run fluctuations in the balance of payments. In 1953 the German overall balance of payments surplus reached almost $1,000 million and surpluses were reached with all areas, including the dollar area. The rate of the DM has consistently been strong and German Government officials have expressed their preference for a fixed rate, even if other currencies were to become flexible.

There is little doubt that Germany could well afford substantially to increase her degree of liberalization with regard to the dollar area (internal convertibility), and also to institute full non-resident convertibility, without impairing her reserves. But a unilateral action undertaken by Germany might not be a wise move from the commercial point of view, as there is the risk of other countries' discrimination and a consequent shrinkage in Germany's exports. Germany, therefore, cannot be expected to restore convertibility before the other major countries, especially the United Kingdom, have done so. As a prominent German banker has put it: "DM convertibility?—Yes! But five minutes after Sterling convertibility!'

E. P.

A Revival of Religious Feeling in the U.S.S.R.

THERE have for some time been signs of a resurgence of atheistic proselytism in the U.S.S.R. Newspapers and periodicals of the Communist Party and the Communist Youth organizations em-

phasize the need to pay 'greater attention to questions of anti-religious propaganda'. An important article appeared under this very title in the March 1954 issue of *Kommunist*, the organ in which the Party's theories are expounded. In it the author, R. Pavelkin, deplores the 'decline of interest in anti-religious propaganda' of recent years. Too little anti-religious literature is published, he says, despite the wide public that it would find in Soviet Russia.[1]

The arguments given in *Kommunist* were subsequently taken up and developed by most of the Moscow and provincial newspapers.[2] A campaign appears, in fact, to have been set in motion from above, of which other manifestations are to be seen in the recent reopening in Leningrad of the famous 'Museum of the History of Religions and Atheism' and in the strong resolutions passed at the Congress of the All-Union Society for the Diffusion of Scientific and Political Knowledge. This Society is now the main Soviet organization specializing in propaganda against the religious spirit; founded in 1947, it is the direct successor of the earlier Bezbozhnik (or 'Godless') Association which originated in 1925.

Why, it may be asked, should this recrudescence of militant atheism appear at a moment when, on other planes, the Soviet authorities are striving to obtain the co-operation of the churches in their peace campaign?[3] This revival of an anti-religious spirit marks the end of the period of relative *détente* which had characterized relations between the Communist Party and the churches ever since Hitler's invasion of Russia on 22 June 1941. From that

[1] In the same article Pavelkin comments favourably on a work recently brought out by the State Publishing House, *Religious Prejudices and their Harmful Character*, by A. Uibo. In this book Uibo denounced 'social Christianity' as a 'reactionary movement' tending to 'prevent the development of a revolutionary consciousness among the working masses, and to disorganize the working class movement from without'

For the history of anti-religious propaganda in the U.S.S.R., see the detailed study by S. Tyszkiewicz, Professor at the Eastern Pontifical Institute in Rome, entitled 'La littérature anti-religieuse en U.R.S.S.', Supplement No. 105 of *B.E.I.P.I.* (*Bulletin de l'Association d'Etudes et d'Informations Politiques Internationales*) Paris, 1–15 March 1954.

[2] Cf. in particular *Komsomolskaya Pravda*, 18 December 1953; *Literaturnaya Gazeta*, 4 February 1954; *Semia i Skhola*, January 1954; *Molodoi Kommunist*, 1953, No. 8, and 1954, No. 1; *Pravda Vostoka*, Tashkent, 1953, No. 5–6, *Zaria Vostoka*, Tiflis, 15 October 1953; *Kommunist Tadjikistana*, Stalinabad, 17 December 1953; *Turkmenskaya Iskra*, 4 June 1953; and, more recently, *Pravda*, 24 July 1954.

[3] This campaign was inaugurated in May 1952 at a 'Conference of all the churches and religious communities of the U.S.S.R. for the defence of peace', which met in Moscow under the chairmanship of the Patriarch Alexei. Stalin sent a warm message to the Conference, which placed itself under the auspices of the World Peace Council, an organization which enjoys the Kremlin's approval.

ay Stalin appeared to subordinate all other doctrinal considera-
ons to the over-riding aim of national unity against the invader.
anti-religious activities were relegated to the background. All the
urely anti-religious periodicals, such as *Besboshnik* and *Atheist*,
ere suppressed within twenty-four hours. Instead, the Orthodox
Church was accorded a new prominence. Indeed on the very day
f the German attack the Metropolitan Serge, who at that time
as acting as Patriarch (he was finally elected to that office in 1943
y the reconstituted Synod), issued a message to the clergy and the
ation calling on them to unite in the country's defence. On 24
December 1941 Archbishop Andrei declared to an Associated Press
orrespondent that the Soviet Government had never restricted
eligious freedom, and had shown itself strictly tolerant towards
ll religions.

Clearly, in the warmth of this *rapprochement* at a time of public
risis, there was a general desire to cast a veil over the past—over
e 117 bishops arrested and deported since 1917, the closed
hurches, and the persecution of believers. Moreover, at any rate
 theory, religious liberty still existed. Tolerance is inscribed in
e Constitution of 1936 which is still in force and in which Article
24 proclaims that 'Freedom of religious worship and freedom of
nti-religious propaganda is recognized for all citizens.' It is worth
oticing, however, that the Constitution of 1923, drawn up when
e anti-religious campaign was at its height, was slightly more
enerous towards believers, for it admitted not only freedom of
orship but also freedom for religious propaganda; whereas the
resent Constitution does not explicitly recognize the right of
elievers to make propaganda for their faith.

But be that as it may, the Orthodox Church, and to a lesser
egree the other religious communities, all duly registered and con-
olled in conformity with the dispositions of the Soviet Govern-
ent's decree of 1929 on religious associations, rendered the
oviet regime considerable services during the years of the 'patriotic
ar'. They made a serious contribution towards maintaining and
onsolidating the regime, and since then the Orthodox Church
nder the Patriarch Serge, and more recently under his successor
lexei, has become a valued auxiliary of Communist propaganda.
Nevertheless, this did not prevent the Soviet leaders from embark-
g from 1947 onwards on a revival of anti-religious propaganda
ithin the framework of the general policy of stiffening-up their
titude towards the West. The new anti-religious propaganda

changed its direction: charges against the clergy were now r
and instead the main attack was directed against fundame
religious principles (the existence of God, of Christ, and of
soul, the creation of the world, and so on), while particular p
were taken to demonstrate to the many Catholics in the count
brought into the Soviet Union (the Baltic countries, East
Poland, the Bukovina), the 'indissoluble character of the li
existing between the Vatican and capitalist imperialism'. To
end the Society for the Diffusion of Scientific and Political Kn
ledge, already mentioned above, was endowed with very consic
able means for propaganda. This Society, which includes am
its active members the majority of Soviet scholars, writers, arti
and doctors, in fact the whole of the country's intellectual é
between the time of its foundation and the end of 1953 organi
some 4 million lectures and meetings, besides publishing thousa
of books and pamphlets aimed at combating the religious sp
in all its aspects.

Yet it would seem that the 'cold war' against the religious sp
despite its relentless character and the colossal means employ
has not produced the results anticipated. The 'francs-tireurs
religion have been able to retain certain advantages: they h
adapted themselves to conditions of life under the regime, t
have a profound knowledge of the battle-ground—the mind
soul of the people—and they have widespread contacts am
them. Thus they have been able to put up a successful resista
against the wearing-down tactics employed against them. That
least, is the impression gained from a perusal of the Soviet p
itself, which justifies the new offensive by the need to combat
revival of the religious spirit which has been noticeable in m
quarters. It is not, in fact, from outside observers that the ment
of a religious revival comes: the Soviet press itself speaks of it.
example, the Communist Youth review, in its issue of Janu
1954, speaks of a 'certain recrudescence of religious ideol
among the backward sectors of the population'. Surprisin
enough, this revival appears to be most noticeable among you
people, both in the countryside and in the towns, and this no do
explains the alarm felt by the authorities. 'Many young people
always to be found among the believers who frequent the churc
and take part in ritual observances,' says *Molodoi Kommunist*.
the Komsomol Congress which met in Moscow last March A.
Shelepin, the organization's chief secretary, commenting in

me strain, expressed disapproval of its officials who were 'trying belittle the influence of the church on young people and child-n'. More serious still, the church's influence is discernible not ily among 'unorganized' young people and children but also nong young Communists, themselves active members of the omsomol. In this connexion *Komsomolskaya Pravda* quotes the errifying case of Tatiana Rastorguieva, a Komsomol member orking on the Andreyev kolkhoz, who wished to have her child iptized in church and asked another young Communist to be its odmother.

It must be emphasized that these attacks in Soviet papers are rected not so much against the Orthodox Church—which is to ime extent regimented and State-controlled, or at any rate suffi-ently closely under surveillance to represent no danger for the irty—as against the minor sects, which by their very nature can ore easily evade control.

Attention was recently drawn to the active propaganda of the Baptists and Adventists who preach a fundamental renunciation 'worldly goods', in an article in *Molodoi Kommunist* (1953, No. 8) y S. Khudiakov, one of the main specialists in religious affairs. ccording to him, these sects have shown much greater skill in lapting themselves to the conditions of Soviet life than has the rthodox Church. Their itinerant preachers 'strive to reconcile ommunism with Christianity' by showing that 'Communism is ily the logical outcome of Christianity, and the Communist irty and the Soviet regime are putting Christian ideals into prac-ce'. If we are to believe Khudiakov, the evangelical Baptists go so r as to affirm in their tracts that 'the Christ of the legends is the iritual father and precursor of the Communist Party'. 'Was not hrist himself the son of a small carpenter and a working-class other, descended from a proletarian family?' According to hudiakov, this is 'pure nonsense', since 'science has proved long o that Christ never existed'. 'The attempt to reconcile Com-unist ideology with Christianity is just a fraud,' he declares. 'ommunism and Christian dogmas are as incompatible as fire and iter. Scientific Communism rests on Marxism-Leninism, which corporates everything in science and human experience that presents progress. Christianity, on the other hand, is based on thing but prejudice and the fables and myths of the Bible and e Gospels.'

What the Communist authorities appear to find most disturbing

about the sects is their very absence of cumbersome organization, their astonishing mobility, and their 'anarchical', almost haphazard way of bringing the good word to the masses. In vain did the Soviet Government ask, for example, the Baptists, who constitute the most important Protestant community in the Soviet Union, to adopt a form of organization as rigid and centralized as that of the Orthodox Church. Under the official statutes granted to the Baptists, their followers are forbidden to preach without written authorization from the *starosta* (warden) of the church in the district. But in practice the members of the sects simply bypass this ukase. The sectarian preachers try to make all the members of their flock 'convinced believers', that is to say, 'zealous propagators of the word of God'. Thus each one of the faithful can become a priest of God—'a priest with a short skirt, without distinctive outward signs, but a priest by conviction and by faith'. 'By their rejection of rites the sects conceal the reactionary nature of their doctrine. Thus, in order to emphasize the democratic spirit which animates them, their priests appear at a religious service in lay dress. The service is given the character of a lay meeting where everyone has the right to speak.'

The attraction of these egalitarian ideas and practices, in a society as strongly hierarchical as that of the U.S.S.R., can easily be understood. Moreover, the words of the Gospel must have an overwhelming effect on those who hear them for the first time, and on people accustomed to the heavy and involved verbiage of Stalinism. Therein lies the secret weapon of the sects, the explanation of their success—the rediscovery of the Gospel. It seems, too, that the preachers use other means as well to appease the thirst for faith and hope of the simple Soviet citizens. They organize communal prayer-meetings where the old religious hymns, half forgotten, are learnt anew. Some preachers are even so daring as to organize choirs and string orchestras, thus trespassing on the domain of the lay authorities.

A correspondent of the *Literaturnaya Gazeta* recently described, not without some indignation, the 'emotional and fervent' atmosphere of a Baptist meeting at which he was present. The meeting was held in a hut in a poor village situated in the region of Smolensk. The correspondent was amazed to recognize among the believers, most of whom were peasants and their wives, a young architect of Smolensk who preached with a quite especial fervour. The kneeling congregation listened spell-bound to his 'revelations'

of the sweetness of 'eternal bliss'. The inquiry subsequently carried out by the correspondent of the *Literaturnaya Gazeta* on the subject of this young intellectual 'preacher' led to some sensational discoveries. The architect in question, twenty-six years of age, was known in Smolensk as 'a very active young specialist, sociable by nature and with a sound political education'. He habitually frequented the Party seminar and himself gave 'irreproachable' political talks. None of his acquaintances at Smolensk suspected his 'double life', his secret life as an evangelical preacher. Is this an isolated case of 'double-think'? It seems unlikely, for Soviet newspapers do not customarily discuss isolated cases—they always mention the typical ones.

Religious feeling manifests itself in the most diverse ways. In the region of Kazan some young girls, members of the Komsomol, recently alarmed the authorities by announcing that they had witnessed the apparition of an ikon. The life of several villages in the same region has been disturbed by the apparition of a 'white lady' whom first the old and then the young declare they saw by night. In Georgia the faithful go in thousands on pilgrimage to St Anthony's Tower where a woman claims to have experienced divine visions. In the Gorki region pilgrims flock to the 'miraculous' Lake Svetloyar, and tales are now being told again of wonderful legendary springs that heal all ills.

The recrudescence of the religious spirit which expresses itself in all these manifestations poses some difficult problems for official propaganda. It seems to be in complete contradiction with the Marxist-Leninist doctrine on the subject of religion. The spokesmen of the régime are at pains to demonstrate that this contradiction is only apparent. Their arguments run as follows. It is true that, according to Marxism-Leninism, the transformation of the methods of production inevitably entails the modification of the entire social structure, social ideas, and political opinions, the transformation, in short, of the whole ideological superstructure. But this does not mean that a modification of the material conditions of existence must automatically bring with it the disappearance of religion and of the other vestiges of capitalism. In fact, the social conscience of citizens lags behind the development of material conditions. 'Objectively speaking', Soviet citizens are happy beings: they are emancipated, masters of their destiny, and well on the way towards prosperity. They therefore have no need of the supra-terrestrial illusions which religion affords. But 'sub-

jectively', these citizens are still open to the influences of
This is the more easily to be accounted for since, accorc
Party theorists, capitalist encirclement still exists.
struggle against the Soviet Union and the popular demo
imperialists make use of every manifestation of rea
obscurantism, and in particular of religion.'

Moving on from these premisses the Party theorists
the need to organize scientifically and methodically th
against religion. They urge propaganda officials not to
selves be misled by the improvement which has take
relations between the State and the Orthodox Church.
provement 'changes nothing in the fundamental attitu
Party towards religion'. That attitude is established q
pendently of the evolution of relations between State an
'Religion is and remains a reactionary ideology and an
struggle must be waged against its prejudices.' That does
they hasten to add, that atheistic propaganda should b
against all men who are 'enchained' by religious ideo
struggle must be waged against ideas, not men; and i
carried on by means of persuasion rather than constrain
the same time avoiding wounding the religious sen
believers.

Against this background, the Soviet authorities propo
to increase the number of lectures and discussions dealin
subject of religion. The State Publishing House has bee
to issue a greater number of books and pamphlets cal
demonstrate 'the absurd character of religious beliefs
tices'. All the mass organizations—trade unions, youth
tions, cultural societies, and so on—are also asked to co-
this work. Moreover, the authorities appear to realize
teaching of historical materialism would not in itself
'liquidate' a sentiment which derives its strength from t
of the soul, to which the popularized conceptions of
cannot penetrate. 'The Komsomol cannot remain ind
the fact that so many young people are to be found a
ranks of practising believers. This proves the inadequa
work of education, and it also proves our inability to att
people and interest them in our cultural work. May it n
the young often go to church merely because they are bo

[1] This theory can be compared with the Molinist doctrine on gra
sufficient, but which it is the task of man (in this particular inst
Party) to render *operative*.

clubs, because nothing is done to organize their leisure, because the Komsomol leaders are too supine?'

The Soviet authorities seem, in fact, to have decided that an improved and more all-embracing system of organization for people's leisure hours is the best way to eradicate the revival of the religious spirit in the country. Measures have already been taken to rouse from their torpor those in charge of leisure, to reform club activities, enlarge libraries, and organize reading-rooms, dramatic performances, and cinema shows. There is to be increased control of the church and supervision of the sects. Thus the great duel, begun nearly thirty-seven years ago, goes on, with results as yet impossible to foresee. F. F.

The Indian and the Land in Latin America

A Remedy in Agrarian Reform

ONE of the greatest Latin American thinkers of the nineteenth century, Juan Montalvo, once wrote: 'If my pen possessed the gift to move men, I would write a book on the American Indian and I would make the whole world weep.'

Prior to the Mexican Revolution of 1910 the native Indians were in fact regarded with the utmost contempt in the Latin American Republics. There was, moreover, a total ignorance about them. A Guatemalan who in his personal relations with Indians had shown complete indifference to them was quite unconscious of uttering a paradox when he proclaimed proudly in speaking of his ancestors: 'I am a Maya! I am not a mestizo!'

The Indian occupied the lowest place in Indo-Hispanic society. Without a past, without hope for the future, he exercised no political or economic influence whatever. He was, in fact, a by-product. His work was paid for at starvation wages, and he passively accepted his wretched lot. A few historians and archaeologists took an interest in these ancient aboriginal civilizations, but nothing was done to draw attention to the miserable fate of the contemporary Indians themselves. For the majority of educated people, the best Indian was the dead Indian!

Since the Mexican Revolution, however, the Indian has gradually come into the public view, with the realization that one of the basic problems in the economic development of Latin America lies in the situation of its native population. The Indian movement soon went beyond the romantic idea of a protest against injustice to take an important place in the sphere of social sciences. On its theoretical side, it explains the outlook of the Indians and the part they have played in the past in the society in which they found themselves. The germs of a Spanish native policy were already evident in the fifteenth century in the protective attitude towards Indians of Padre Bartolemé Las Casas, exercised not in an anti-Spanish spirit but rather as an application of Christian principles to a situation in which the Cross might be thought to cover all the enormities committed in the name of the Church by the Spanish Conquistadores. The 'new tradition' began after the first World War, and it was coloured by the pre-occupation with social problems which affected the whole South American continent at that time. The most important event was the Indian Congress of Patzcuaro in 1939, at which such men as John Collier, Moises Saenz, V. R. Haya de la Torre, leader of the Aprista movement, Mendizabal, and Castro Pozo played a considerable part. A second Congress took place at Cuzco, in Peru, in 1949. The Instituto Inter-Americano Indigenista in Mexico, under Manuel Gamio and Juan Comas, now publishes reviews dealing with native affairs.

THE INDIAN PROBLEM

In what, in fact, does the Indian problem in the Latin American countries consist? Let us begin by defining the Indian as one in whom native language and non-European physical characteristics predominate, coupled with a persistence of strongly native elements in his material and spiritual culture—with the result that a definite feeling of belonging to a separate community survives in the individual. The importance of the Indian problem varies in each country according to the percentage of Indians in the population as a whole. The Indian constitutes a problem only according to the extent to which the native groups are more or less separated, culturally or socially, from the rest of the population, and in so far as the country feels the need to assimilate the Indian to the national life as a whole and the Indian himself is conscious of the need to be integrated therein. Finally, the economic aspects of the Indian problem are very similar to those arising in any under-

developed country, whether on the American continent or elsewhere.

The Indian communities constitute marginal populations living on the fringe of the civilization and culture of the country they inhabit. They vegetate on the borders of the national economy without taking an active or direct part in it except as the cheapest form of manpower. Thus the Indian problem is first and foremost one of integration, of the incorporation of the aboriginal populations into modern civilization and culture and the rhythm of the national life: a problem, in fact, of acclimatization.

The first Indian Congress at Patzcuaro estimated the Indian population of Latin America at some 30 million. The countries in which its proportions are highest are Guatemala, Mexico, Peru, Bolivia, Ecuador, and Panama, where the problems it presents are sufficiently important to be of national significance. All these countries are trying to solve the native question by following more or less closely the example of Mexico.

Mexico's native policy first took legal form with the agrarian reform law of 6 January 1915, which aimed at providing land for a rural population which was almost entirely Indian. The next step was the creation of rural schools, which were set up by the Revolutionaries, and in particular by the well-known educationist José Vasconcelos. Voluntary missions have established these schools in the most remote districts, with the aim of giving native children the rudiments of education, both theoretical and practical. During his period of office between 1934 and 1940 President Lazaro Cardenas also created a Department of Native Affairs to deal with the problems of the numerous aboriginal ethnical groups in Mexico.

This policy has had some influence on other countries of Latin America. The Panama Constitution of 2 January 1941, for example, states (Article 56) that 'it is an imperative duty to evolve legislation as to the means of educating the native with a view to his integration in civilization'. The Constitution of the Republic of Guatemala, of 11 March 1945, declares (Article 83) that 'it is useful, and in the national interest, to develop a comprehensive policy of improvement in the economic, social, and cultural conditions of the native groups'.

The native movement co-ordinated in Mexico by the Instituto Inter-Americano Indigenista has led to the creation of various national institutions whose aim is the improvement of the material and cultural conditions of the aboriginal groups—in Brazil, the

National Council for the Protection of Indians; in Colo
National Ethnological Institute; in Cuba, the National
Archaeology and Ethnology; Native Institutes in N
Guatemala, and Paraguay; and a Directorate General c
Affairs in Peru.

There has, indeed, been considerable legislation and
in recent years on behalf of the Indian peoples in the
Indian countries. In a highly controversial article entitle
rismo, Indigenismo et Nacionalismo'[1] Professor Frank
baum referred to the danger that all these efforts on l
natives peoples might ultimately outstrip the ends the
view: might they not, he argued, in the long run produce
nationalism which, if accompanied by education, cou
dissident in relation to the State? Professor Tannenbaum
example of an illiterate Indian in Guatemala who had
that he hoped some foreign country would appear on t
to 'save' the Indians. Would the tendency be towards
Federation? Or a Quecha nationalism? . . . One recalls the
Indianism described by D. H. Lawrence in *The Plumed*

This sceptical attitude received in turn a strong counte
an excellent analysis by Antonio Garcia,[2] which definec
native policy ought *not* to be: it should be neither Pan-In
attempting to make Indian standards the universal criteric
racial Indianism, arbitrarily establishing the existence of a
race as opposed to a non-Indian; nor a primitive Indianism
its origins and its future in the remote past before the a
Columbus; nor a romantic Indianism incapable of p
practical solutions; nor a partial Indianism offering onl
solutions.

The last alternative presents the greatest danger. In tl
tries where a more pronouncedly native policy is beginnir
velop particular attention is being given to the educ
the Indian; but the native problem in the Spanish-India
tries is economic just as much as cultural or social. It wou
no purpose to raise the cultural level of the Indians if at t
time they were left in poverty. It seems likely, moreover, t
could not be abandoned in this state for long without run
risk of an upheaval or even of a violent explosion.

[1] *The Hispanic-American Historical Review*, Durham, North
August 1953, pp. 395–423.
[2] 'Teoria y Politica del Indigenismo', in *America Indigena*, Mexico
1951, Vol. II, No. 4, pp. 281–96.

THE INDIAN AND THE LAND

The Indian population in Latin America is almost entirely agricultural. The tilling of the soil is the basic activity of 90 per cent of the working male population. For this reason the problem is closely related to the question of land distribution. In nearly all the Latin American countries where the *latifundia* system is widespread an Indian problem exists.

The taking over of land from the Indians began with their earliest contacts with the whites, and still continues in many countries today. Certain Indian communities are however permitted by law to retain their land; and some of them have been able to maintain their existence in consequence of the low population pressure among the *mestizo*, as for instance in Chiapas, Vera Cruz, and Guatemala. On the other hand when population pressure increases the Indian begins to be despoiled of his land, and in that case all the forces of the State combine against him—the authorities, the landowners, the new seizers of land, the Church, and the foreign monopolies. *Gamonalismo* is a sort of agrarian feudalism which destroys the traditional communities by driving them back to the edge of the desert land or causing them to scatter and disperse. Thus it can easily be understood why the land became for the Indian the symbol of his right to live. To an increasing extent the Indian makes common cause with the land; he never ceases to be in contact with it, 'either by night, when he stretches out his thin body on the hard ground, or by day when he feels it beneath his hardened naked feet'. Thus there grew up an attitude of defence of landed property which expressed itself in violent struggles in Ecuador, Mexico, and Peru. The ferocious hordes of the revolutionary leader Emiliano Zapata early in this century fought for 'Tierra y Libertad!'

One of the methods of exploiting the Indians' work was through their more or less enforced co-operation in the construction and maintenance of public works, a custom which still continues to be practised in some of the Indian villages of Latin America. In Mexico this kind of work became known as *faena* or *tequio*—a form of forced labour—and the authorities compelled the Indians to work on building and repairing the roads, installing telephone and telegraph lines, and repairing public buildings. In Peru, the Indians had to carry out without pay all the public works decided on by the authorities throughout the locality. It is said that the road from Mejorada to Ayacucho was made by the sweat and

blood of Indians, who suffered terrible hardships from the ill-treatment inflicted on them by the military in charge of the work. In mountain villages the clergy and the civil authorities combined to exploit the Indian and filch his land from him.

The Indian's needs are few, and vary according to his cultural level. But the giving of feasts and distribution of largesse is an inescapable custom, and he may well spend his whole life working to pay off the debts contracted in paying for these festivities. Lavish expenditure, incurred in order to acquire or enhance prestige, often compels Indians to seek work on the *haciendas*, in modern agricultural undertakings, or in industry. The traditional *haciendas* and the *latifundia* of Peru, Ecuador, Guatemala, Mexico, and elsewhere are run on the system of paying wages in high-priced goods, thus binding the Indian ever more closely to work on the land. On these *latifundia* agriculture gives low returns and there is very little mechanization, and this necessitates the employment of a large number of workers at low wages.

The modern agricultural undertakings, on the other hand, have been established in virgin tropical country, generally along the shores of the two littorals; they include sugar and coffee plantations, plantations of the United Fruit Company in Central America, and other large concerns. Since this type of cultivation does not demand intensive labour except at certain periods of the year, the Indians only work there for a few months at a time as hired labourers, coming down from the high lands where their own villages usually lie. As Paul Morand has said in his *Air Indien*,[1] 'the Indian is not made for the low-lying regions and the highways... solitude and barrenness suit him'. Indian labour in the mines, factories, and oilfields is of less significance in the present context, since once the Indian adopts the ways of modern life he ceases to be an Indian.

The problem of the poverty of the agricultural population is a very real one, especially in the countries where Indians predominate and where agriculture may represent as much as 80 per cent of the economy. In these areas a variety of reasons may account for the low agricultural production and inadequate standard of living: poverty of the soil, unfavourable climatic conditions, technical backwardness and inadequate equipment, the frequently high density of rural populations, and the low prices received by the farmer. But one of the fundamental reasons is the

[1] Paris, Bernard Grasset, 1932.

structure itself, the whole organic framework of agricul-
oduction.

AGRARIAN STRUCTURE AND LAND REFORM

ost of the Latin American Republics, in fact, the typical
structure involves great inequality in the ownership of
ich often results in a wasteful use of it. As two reports of
Nations inquiries[1] have recently emphasized, the combina-
extensive cultivation with a high degree of concentration
ownership prevents the rational utilization of the soil and
ansion of agricultural production, thus lowering the
l of living of the majority of the rural population and pro-
a state of stagnation in agriculture, which is generally the
rm of activity in such economies. In fact, in nearly all these
s, with the exception of Mexico, the agrarian structure is
racterized by the existence of very large properties (the
ia), a great number of small plots of land (the *minifundia*),
ery poor and backward native population whose average
ita annual income varies from $40 in Ecuador, $55 in
and $77 in Guatemala, to $100 in Peru and $121 in
—as compared with $1,453 in the United States.
ugh this structure considerably impedes the countries'
ic development, the need for land reform, with the aim of
ng the position of the small and medium farmers, has
been recognized. The large landowners, who would of
be greatly affected by such measures, and who still enjoy
rable political and economic influence, generally supported
Church and the foreign monopolies, strongly oppose the
owards agrarian reform. There is moreover the danger in
-Indian countries that land reforms may not always be
understood by those whom they are designed to benefit,
become side-tracked or distorted for political reasons. At
amba in Bolivia, for example, difficulties arose recently
the Indians wanted the reform to move faster than the
vided for. Similar disturbances had taken place at Escuintla
temala, where ex-President Arbenz had to send Com-
Martinez, then head of the National Agrarian Depart-
o examine the situation on the spot. 'Unrest and violence
evitable,' the Guatemalan Minister of Economy stated,

[1] d Nations: Department of Economic Affairs: *Land Reform* (New York,

adding, 'It is impossible to undertake a measure as serious as agrarian reform without incurring disturbances and violence. In Mexico it cost 20,000 lives. If we come out of it with the loss of only 200 we shall consider ourselves lucky.'

The natural conservatism of the rural communities forms another obstacle. The peasant is often strongly independent in his attitude towards the Government, and his reaction towards any reform may become violent and lead to negative results rather than to the hoped-for improvement. The greatest stumbling-blocks of all are his inertia—'Quien sabe, señor?'—and his failure (a quite natural one) to understand the ends in view. Indian communities often wish to lead their lives quite apart from the nation and its political reforms. Fatalistic and accustomed for centuries to virtual slavery, they are suspicious of anything that emanates from the capital. They have seen their rebellious chiefs betrayed and massacred by the landlords. It will be a long time before they cease to be suspicious; and it seems likely that the fall of President Arbenz was due not only to the American planes and the strength of Colonel Armas's following but also to a general lack of comprehension among the Indian masses, who neither understood the situation nor rose in his defence.

Still further obstacles to the carrying out of land reforms lie in the lack of qualified technicians and the shortage of funds—this last a very serious impediment unless international aid is forthcoming.

It is therefore easy to understand why it is that since 1945 only three countries of Latin America have succeeded in putting land reforms into effect: Mexico, Guatemala, and Bolivia. But whereas in Mexico a policy of land reform was first initiated in 1915, in Guatemala the land reform measures date from June 1952 and in Bolivia from August 1953. In all three countries the reforms are based on the same principle: the restoration of land originally belonging to the Indian villages. The agrarian structures affected by the reforms are also similar, being characterized by a high degree of concentration of landownership and a very low standard of living for the native population. Guatemala and Bolivia have undoubtedly derived inspiration from the example of Mexico, and the measures taken aim at improving the situation of the landless peasants and of those who possess only small or medium holdings. The resemblance can be carried still further if we recall that in all three countries the large landowners were

rivate landlords or foreign companies: British and Ameri-
Mexico, German and American in Guatemala, and to a
egree British in Bolivia.

Mexico and Bolivia have declared that the measures they
ken will increase the number of those owning land. In
the policy of restoring land to the *ejidos*,[1] in force since
as caused fundamental changes in the agrarian structure.
ransformed the whole system of landownership, changed
of the country by extricating it from a modern paternalist
ystem, developed the latent riches of the soil, and improved
ition of the Indian, while at the same time giving him the
l feeling that he has at last won back what belonged to him.
an area of 29 million hectares had been transferred from
latifundia to the village communities and their members.
year, out of the total cultivated area of 15 million hectares,
n hectares belonged to the *ejidos*: the reform had thus re-
ted nearly 50 per cent of the cultivable land.

over the revolution has not stood still. Redistribution is
ng on, and between 1946 and 1952 a further 4 million
were transferred to native ownership. The new owners
the most part simple Indian peasants without equipment
ical education; and for that reason the creation of agricul-
edit organizations, such as the Banco Nacional de Credito
or the *ejidos* and the Banco Nacional de Credito Agricola y
ro for private owners, has been of decisive importance. But
xican soil cannot yet support a population that is rapidly
ng. Only a small proportion of the surface is cultivated,
lds are still only mediocre. The problem of increasing
o keep pace with the rise in the population has become
nd the Government is trying to solve it by encouraging
on into new and still unexploited regions, as well as by the
ction of an extensive system of irrigation.

livia, the land reform law of August 1953 also envisages
l change in the agrarian structure. Here there was extreme
ration of landownership: according to the 1950 census,
ne landlords owned something like 70 per cent of the land.

[1] held in *ejido* tenure is the property of a town or village either for
use or for distribution among the inhabitants for cultivation in small
ch each individual has the right to occupy and use as long as he keeps
under cultivation. In colonial times villages received grants of land for
ose, but during the nineteenth century they lost their holdings to
s of large estates. Consequently the restitution or granting of *ejido* land

One of the aims of the law is to reinstate the Indian communities on the lands of which they were deprived, and to help them to modernize their farming methods, while at the same time reviving and making the best use of their collectivist traditions.

The land reform law approved by the Guatemalan Congress on 15 June 1952 aimed at a considerable modification of the existing conditions of land ownership and development. What has been said about Bolivia on the subject of concentration of ownership is equally true of Guatemala, where 2·2 per cent of the landowners grouped together in the powerful General Association of Agriculture (A.G.A.) own 70 per cent of the cultivable land, and where twenty of them alone control 650,000 acres. The law, which aimed at encouraging the development of capitalist rural economy, provided for the distribution of land to farmers, colons, or agricultural workers; the investment of fresh capital in agriculture; the farming of nationalized lands; and the introduction of new types of cultivation by means of financial and technical aid and by increased possibilities of obtaining agricultural credits. Since 1952 more than 270,000 ha. had been expropriated from land belonging to former German owners and to the United Fruit Company. By a strange coincidence the beginning of expropriation of uncultivated land belonging to the United Fruit Company took place at the same time as the first American warnings of the danger of Communism in Guatemala which preceded the dramatic events of last June and the resignation of President Arbenz. The Ministry of Agriculture of the new Junta Militar, presided over by Colonel E. Monzon and Colonel Armas, at once decided to suspend the land reform.

The need for progress is everywhere apparent in Indian America, but the shortage of credit is an almost universal obstacle to agricultural development. Indeed where land is abundant it is often the major obstacle. A large percentage of the rural populations are still really hardly touched by Government institutions or commercial banks, and depend instead on moneylenders or loans from village shopkeepers and the like, whose rates of interest may rise as high as 300 per cent; sometimes as a last resort landowners themselves, either directly or through intermediaries, buy back their land, as has happened in certain parts of Mexico. A solution may perhaps lie in the possibility of relating technical progress to credit by a system of supervised credits such as was practised till recently in Guatemala.[1]

[1] Cf. U.N. *Report on Supervised Rural Credit in Guatemala* (New York, 1953).

There is still much to be done in Latin America, where the poverty of the peons leaps to the eye. Few countries are evolving so rapidly, and the Governments are faced with the necessity of coming to terms with an immense popular upsurge, supported by a new proletariat and by the majority of the intellectual élite. If the men of tomorrow show courage and skill they may hope to preserve the peasants' traditional way of life while improving their living standard, to win from the virgin soil all the riches it contains, and at the same time to prepare their countries' industrial future.

I. B.

THE WORLD TODAY

Volume 10 *No.* 11 *November* 1954

*

Notes of the Month

The London Nine-Power Conference

THE philosophy of the London Conference of the nine Powers—Belgium, Canada, France, Federal Germany, Italy, Luxembourg, the Netherlands, the U.K., the U.S.A.—which opened on 28 September was that 'all its decisions formed part of one general settlement which is directly or indirectly of concern to all the North Atlantic Treaty Organization Powers'. The omnibus agreement announced in the Final Act published on 3 October contains a declaration of intention by the three responsible Powers (the U.S.A., the U.K., and France) to end the occupation of Western Germany; a decision by the parties to the Brussels Treaty of 1948 (the U.K., France, Belgium, the Netherlands, Luxembourg) to admit Federal Germany and Italy to a greatly developed 'Brussels system';[1] an agreement by the eight member-Powers present that Federal Germany should accede to the North Atlantic Treaty; a declaration by Dr Adenauer that the Federal Republic will voluntarily limit its armament production; a further statement by the Federal Chancellor recognizing the defensive character of the North Atlantic and Brussels Treaties and espousing the principles of the United Nations Charter; and a final declaration by the U.S.A., the U.K., and France of the purposes of the North Atlantic Treaty. The Final Act and the detailed provisions arising from it must now be submitted to national Parliaments.

The London Agreement differs from the previously proposed N.A.T.O./E.D.C. system in several important respects. First, the Bonn Conventions of May 1952 which revoked the Occupation Statute were due to come into force only when the E.D.C. was established. In the Final Act the occupying Powers now state that

[1] The previous 'Brussels Council' was a consultative inter-governmental body which met irregularly to discuss economic and cultural matters. The military organization of the Treaty was absorbed by N.A.T.O. in 1949 (see *The World Today*, October 1954, p. 418)

agreed arrangements for the return of German sovereignty 'm be put into effect either before or simultaneously with the arrang ments for the German defence contribution'. Second, Gre Britain, which under N.A.T.O./E.D.C. was associated with t Western European regional group of the Six[1] but not institutio ally bound to them, now becomes a full member of a supranatior military system alongside the Six. Further, Great Britain h undertaken not to withdraw from the Continent her four divisio and the Tactical Air Force now assigned to the Supreme Alli Commander against the wishes of a majority, i.e. four, of t Brussels Powers, except in the event of an acute overseas emer ency. Following this commitment Great Britain's status no differs for the first time from that of Canada and the U.S. Third, Federal Germany now becomes not, as under E.D.C., self-integrating member of an embryonic continental federati but an old-fashioned sovereign State with *Wehrhoheit*. In t London Act the German Chancellor gives definite undertakin limiting German sovereignty in defence matters 'which t Brussels Treaty Powers take note of and record their agreeme with'. But this is clearly a far cry juridically from the permane surrender of sovereignty offered by the Federal Governme under E.D.C.,[2] and even further from the position taken up by Adenauer at successive six-Power conferences at which the Forei Ministers discussed the Strasbourg draft for a European Co munity.[3] Fourth, the eight N.A.T.O. Powers represented London have now agreed to recommend at the next minister meeting of N.A.T.O. that the Federal Republic should be invit to become a member. This is an entirely new departure by t French Government. Even the most advanced French Europea have hitherto been hesitant to propose immediate Germ membership of N.A.T O. The E.D.C. Treaty provided for jo meetings of the Council of E.D.C. and that of N.A.T.O., Fran

[1] See *The World Today*, May 1954, p 183

[2] The E.D C. was described as 'supranational in character comprising cc mon institutions, common Armed Forces, and a common budget' (Article It had juridical personality (Article 7). It possessed a Board of Commissior vested with executive and supervisory powers (Article 19) whose memb might neither ask for nor receive instructions from any Government (Article . It appointed senior officers (Article 31). Its delegates recruited and trai European forces (Articles 73 and 74) See *The European Defence Commun Treaty* (Cmd. 9127).

[3] See Lord Layton, 'Little Europe and Britain', *International Affairs,*] 1953; and 'The European Political Community', *The Economist,* 21 and November 1953.

Italy, and the Benelux countries being represented on both bodies.

What is the character of the new military agency based on the Brussels Treaty—to be known as Western European Union—and to what extent has the Federal Republic a special status under it?

The new agency which reports to the Council of seven Ministers is to control manufacture and stocks of armaments on the Continent of the continental members.[1] Germany undertakes never to manufacture ABC weapons (atomic, biological, and chemical—see annex to Article 107 of the E.D.C. Treaty) on her own territory and, in the first phase, not to manufacture long-distance missiles, certain types of mines, large warships, or strategic bombers. The latter arrangement can, however, be revised by a two-thirds majority of the Brussels Council on the proposal of the Supreme Allied Commander. The agency is to ensure by inspection that prohibited weapons are not being manufactured. The five continental countries entitled to manufacture weapons belonging to the above categories will be allowed to hold stocks of them only up to a level decided by the Brussels Council by majority vote. The agency will check the level of stocks and compare them with N.A.T.O. requirements as established in the annual review. It will also supervise export and import of arms in the controlled categories, taking into account external military aid from the U.S.A. and Canada.

In general, the Western European Union attempts to retain some of E.D.C.'s supranational characteristics in the field of arms-control without insisting upon the integration of military forces in a European army. The fruits of this compromise are British participation until 1998 in a continental military organization which is supranational[2] with regard to the control of manufacture and stocks of arms; the resurrection of a German national army, Defence Ministry, and General Staff over which only the Federal German Government has any jurisdiction; and an agreement by the nine Powers that forces placed under the Supreme Commander 'shall be deployed in accordance with N.A.T.O. strategy'. Without further clarification it is hard to guess the cohesive strength of the Brussels military grouping. The agreements concluded in Paris on 23 October completed the steps taken in London. They and the simultaneous agreement for a European settlement of

[1] The agency has therefore no jurisdiction over British production, only over the level of British stocks on the Continent

[2] A body which dispenses with the unanimity rule must presumably be called supranational.

the Saar question have now to run the gauntlet of th
Deputies.

The Trieste Settlement

THE initialling in London on 5 October, two days
conclusion of the London Nine-Power Conference, of a 'm
dum of understanding' for the settlement of the Triest
was the outcome of nine months of difficult negotiati
many years of dispute.

The substantial result may at first appear to differ on
from the ill-fated Anglo-American proposals made almo
a year before, on 8 October 1953, for the immediate han
of Zone A to Italian administration, thus putting Italy on
footing with Yugoslavia. But the major difference lies i
that whereas in 1953 the suggestion came from above,
occupying Powers, the new settlement is the result
negotiation between representatives of all the four Po
mediately concerned—Italy, Yugoslavia, Britain, and th
States.

In the course of these negotiations both Italy and Y
have had to yield on some points. Italy had to abandon he
a plebiscite to be held throughout the Free Territory;
frontier adjustment a small strip of land in the south o
now goes to Zone B—its area is about 9 sq. km., and th
of its 3,000 inhabitants are reckoned to be Slovene, but i
many Italians who worked in Zaule, the nearby industri
of Trieste. Yugoslavia, on the other hand, has aban
claims to Trieste and to special access to the port; and th
southern frontier line has moved slightly in her favour
the one for which she originally hoped. That line, by tak
promontory of Punta Sottile, would in fact have meant
threat to Zone A, for Punta Sottile overlooks Trieste har
the extension of the twelve-mile limit of Yugoslav
waters from it would, given the prevailing north-easte
the 'Bora', have made access to the harbour extremely

On the other hand neither side has had to yield m
public opinion in each country would accept; and the s
has in fact been approved in both Parliaments. The 'men
of understanding' (it is not even called an agreement)
require formal ratification, for it is still described as a p
and *de facto*, not *de jure*, settlement. This could not be

for the U.S.S.R., a major signatory of the peace treaty which established the Free Territory, took no part in it; though since its initialling Mr Vyshinsky has intimated to the Security Council Russia's willingness to recognize the settlement. This move caused some embarrassment to Italian and Triestine Communists, who, sticking closely to the hitherto consistent Cominform line of strict adherence to the peace treaty provisions, had been denouncing the new settlement as 'the worst possible'.

While the settlement has been officially welcomed in Italy and Yugoslavia as a precursor of closer collaboration, the minutiae of pros and cons are inevitably more deeply felt in the disputed territories themselves. Many Triestini feel anxiety for their relatives in Zone B, which they now regard as permanently 'lost', (though communications between the two areas, virtually cut off from each other for the past year, will now be more nearly normal than for a long time past). Many, too, especially in business circles, are anxious about the port's economic future. Whether justifiably or not, fears are expressed about a return to an Italian centralized administration and the delays this may involve. Unemployment in Trieste, already high (reckoned at around 20,000 out of a population of 302,200 in Zone A), is bound to increase with the withdrawal of Allied troops by the end of October. These are only some of the anxieties facing the local population. To meet the economic problems raised by the situation the Italian Government has launched a loan of 40,000 million lire, for the development of Trieste's shipping, industry, and commerce.

Nigeria's New Constitution

It is typical of the ever-accelerating pace of progress in Africa that Nigeria has just received its third Constitution in eight years, and that this Constitution is promulgated as an interim measure to be revised in 1956. It is in the first place a triumph for Lord Chandos (Mr Oliver Lyttleton) who was most successful, at the Lagos Conference last February, in allaying the suspicions and the schismatic tendencies that seemed so menacing a year ago. The political temperature in Nigeria fell by several points during the summer months. Responsible organs of the Nigerian press both in the Western and Eastern Regions bore witness to the ordered progress of negotiation, and even Mr Fenner Brockway, in the House of Commons, paid a tribute to Mr Lyttelton's skill. It is encouraging to notice that speeches and newspaper articles, both from the

Eastern and Western Regions, stress the intention to v
United Nigeria in the future rather than for separatist p

The tendency of the new Constitution is to increase th
regional self-government without weakening the conti
federal Government in essential matters. The promise of
measure of self-government within its proper sphere, to b
in 1956 to any region that should express a desire for suc
through constitutional channels, was the factor that sv
Awolowo's Action Group towards acceptance of the new
opposition to the severance of the city of Lagos from the
Region, and to its establishment as a Federal capital i
territory, was overcome by the prospect of reviewing th
two years hence.

The new status of the Cameroons Trust Territory seem
been settled without serious disagreement. Its northern
are to be administered as part of the Northern Region; its
districts, whose leader, Mr Endeley, made it clear that tl
tants were unwilling to be incorporated into the Eastern
to become what Mr Lyttelton described as a quasi-fed
tory, with its own legislature consisting of the Governo
and an Assembly with a majority of elected members.

The residual power of legislation, formerly retaine
central authority, is now transferred to the Regional Le
'The Governor of a Region may, with the advice and cons
Legislative Houses of that Region, make laws . . . with
any matter other than a matter that is included in the
Legislative List.' A schedule attached to the Order i
enumerates at some length the items of this list, which in
accounts of the Federation, aviation, banking, currency
external affairs, higher education, immigration, shipping,
railways, minerals, and the public debt. The franchise fo
to the Federal House of Representatives, and to the
Houses of Assembly, will be extended to all British sul
British protected persons, except in the Northern Reg
the vote will still be confined to men only.

Among the powers reserved to the Governor-Gene
control of recruitment, promotion, and transfer in
Service, and for this function a Public Service Comm
been established to advise him. All the responsible
Nigerian parties have given assurances that they will still
the help of 'expatriate' officials. Division of the adm

services into Federal and Regional sections presents many problems which must still be worked out in practice and which, inevitably, have met with opposition from professional bodies. The teachers, an immensely important group in every part of tropical Africa, have raised objections to the splitting of the Educational Service. Similarly, the establishment of a Federal Supreme Court and of High Courts in the Regions caused some misgivings among the lawyers. Even more difficult, administratively, is the regionalization of the Marketing Boards.

A general buzz of approval for the new Constitution both in London and in Nigeria should not detract attention from the many real problems that are yet to be solved. The dominant voting power of the Northern Province, with its 92 out of 184 elected members in the Federal House of Representatives, will still loom over the less populous but more socially advanced groups in the south. It has been suggested more than once by Dr Azikiwe and his supporters that an ideal organization for Nigeria would be a federation of nine or more smaller states, but such a proposal can not be considered a practical policy at present. The new system is recognized as a considerable advance, and the goodwill with which the party leaders have received it is the best augury for its success

The Governor-General and the Regional Governors have been appointed, and elections are to take place in November.

The World Wheat Situation

THE meetings of the International Wheat Council which concluded in London on 14 October were held in an atmosphere which had considerably altered from that surrounding the Council's June meetings.

In June there seemed to be every prospect that the North American wheat harvest would again be of the bumper proportions of the last few years and that further large additions would be made to the already burdensome wheat surpluses held by Canada and the United States. Moreover, it appeared at that time that the wheat harvest in Europe, the principal importing area, would be at the high level of the last two seasons.

Wheat export prices outside the International Wheat Agreement had been steadily declining since the autumn of 1952, and since August 1953 I.W.A. and non-I.W.A. prices were for all practical purposes identical. Early in June of this year Canada and

the United States dropped their prices by 10 cents per bı the outlook seemed to be that further cuts would be inev: the minds of not a few people the spectre of the disastı ditions that existed in the world wheat trade during t began to appear.

By mid-October, however, the world wheat picture had materially. Canada has experienced what can properly b crop disaster in wheat. Early in August the harvest was forecast at 513 million bushels, about 100 million bushels in 1953. A severe epidemic of the fungus disease, rust, hit under ideal conditions to do the most damage, and this lowed by early and killing frosts. Cold and wet harves ditions added to these difficulties and the Canadian outp not expected to exceed 275 million bushels, reaching oı 45 per cent of the 1953 production. In addition, very lit crop will be of the top millable grades.

Drought conditions in the south-west and parts of t Plains, cold and wet weather in the Northern States, and s infestation also reduced early estimates of the United Sta crop. The latest official prediction is for a crop of about lion bushels, 209 million below 1953, or a reduction c cent.

Among the other exporting countries, forecasts sug Australia's crop may be about 25 per cent below that of while that of Turkey may drop by about 30 per cent. C in Argentina are so far reported to be satisfactory, and Fı harvested the largest crop in her history, though part of it quality.

In spite of the extremely unfavourable weather that throughout the summer, the total wheat crop in Westerı now seems to be of about the same size as last year. W duction in some countries is down, in others it is abov 1953. But the bad harvest weather took a severe toll of wheat crop from the point of view of quality, and a proportion in most countries is expected to be only sui livestock feed. Import requirements are therefore likely to which should mean that the world's exports of wheat s cover from the decline of last season.

In view of these developments prices in the world whea have recently become much firmer. But there still rem substantial stocks of wheat in North America which are

to meet perhaps two full years' export requirements, so there need be no fear of a shortage of wheat in the near future.

Against this background the International Wheat Council at its October meeting laid plans to begin the preparatory work necessary for the calling of an international conference to negotiate a renewal of the present Wheat Agreement, which expires on 31 July 1956. The Council decided to meet again in the spring and to hold the negotiating conference during the summer of 1955. In addition to the forty-seven countries that are members of the present Wheat Council, all interested non-member countries will be invited to attend.

Borodin and the Kuomintang

MUCH remains to be written—if indeed enough is accurately known—about the early relations of Nationalist China with the Soviet Union. The evidence is often conflicting, and not always as complete as the historian could desire. The Royal Institute of International Affairs published a reliable account in 1929, in the *Survey of International Affairs, 1927*, and no student of Far Eastern affairs can afford to ignore the story then told by Dr Toynbee and his colleagues. The alliance between the Kuomintang and the Soviet Union passed through uneasy stages after the signature of the Agreement between Sun Yat-sen and Adolf Joffe in Shanghai in 1923 which declared, *inter alia*, that the signatories were agreed that the time had not yet come to establish 'Communism' in China. Whether Joffe signed with his tongue in his cheek may be left to surmise. But this much is certain—(i) that Sun Yat-sen was not a Communist, but something like a nineteenth-century Liberal turned revolutionary; (ii) that he was sincere in rejecting Communism for China; and (iii) that he sought and found indispensable allies in the Russians, *faute de mieux*, his natural preference being to seek support in London and Washington. This he was precluded from doing by his own policy which placed in the forefront of the Chinese programme an attack on the Anglo-American position by the abolition of all foreign rights in China that were enshrined in the so-called 'Unequal Treaties'. He could not know that, within three years of his wedding to the Russians, a British Tory Secretary of State (Sir Austen Chamberlain) would offer to relinquish, or radically modify, these rights by negotiation.

The occasion for recalling this passage in Chinese history thirty

years ago is the recent news from Moscow that Michael
died, probably in 1952, in a Siberian gaol. Borodin wa
China in 1923 officially to represent the Soviet Union in C
guide the Chinese Nationalists into the true way, and to
ends of the Communist Third International. He was, at
time, the servant of the Commissariat of Foreign Affai
U.S.S.R. and the agent of the Third International; and s
he could hear (or overhear) Moscow speaking with two v
task was not easy; but there can be little doubt that
Canton and in the movement northward to the Yangts
the Kuomintang owed this remarkable man a real debt
halt was called in Hankow, his bearing began to undergo
and he told his intimate friends in the Movement that he
would not be able to remain any longer in China. Did
chance, recall Pierre Vergniaud's now classic remark,
craindre que la Révolution, comme Saturne, devorât su
ment tous ses enfants'? Borodin knew that he had er
Moscow who were exploiting his 'apostasy', i.e. his
though perhaps not altogether unwilling, acceptance of
sen's view that Communism was not for China.

The probably authentic story goes that on a Sunday
1927 Borodin summoned a meeting of his associates in c
Jardine bungalows on the Race Course at Hankow. When
into the room he was not his wonted confident self. Accor
least two Chinese witnesses present, he was obviously il
He told the meeting that he had received instructions fr
cow that the Nationalist Movement in China should be p
its bourgeois elements, that it should be swung into line a
Eastern wing of world revolution, that individual memb
Kuomintang should be given an opportunity to consider
they could take part in the new movement and that th
could not do so were to be expelled. Some hint of this
from Moscow must have already filtered through to the
for Chiang Kai-shek himself had already left Hankow at
and gone down the river. And, as we now know, on 6 Apr
i.e. after the Race Course meeting and also after Chiang
Hankow—a raid by the Chinese Metropolitan Police
Soviet Embassy in Peking brought to light a mass of incri
documents showing both the objective, and the far-reachi
of Russian operations in Nationalist China (*op. cit.*, p. 3
much Chiang Kai-shek knew of all this is uncertain, but

have had his suspicions. He had known in Canton that Russia was not in China for the *beaux yeux* of the Chinese; while he and Borodin had earlier come into conflict over the question of army policy in Canton, the issue being the control of the Revolutionary Army on which Borodin had over-ridden Chiang Kai-shek. This did not improve relations between the two men; and yet, so high was Borodin's estimate of Chiang's qualities that he once said, 'We can get to Peking with Chiang Kai-shek but not with the Kuomintang'. The effect of Borodin's revelation of the Russian purpose that Sunday morning in 1927 was that the Soviet-Kuomintang alliance was broken, that the more moderate, or more truly Chinese, wing of the Kuomintang moved down the river, first to Shanghai, and thereafter to Nanking where the new Government, known as the Nanking Government, was duly brought into being. Within a week or two Borodin himself was out of China and the Chinese Communists were exiles in their own country.

As a postscript to this footnote to history one may guess that when Mao Tse-tung went to Moscow in December 1949 he did not go to the Russian capital merely to sign obediently on the dotted line, but to make sure that the Russians understood the nature, and especially the magnitude, of his task in China. Moreover, he probably remembered the fate of Borodin, and almost certainly warned Stalin not to dictate to the Chinese but to leave the Chinese Communist Party a fairly free hand in political and economic action.

Military and Industrial Aspect Atomic Energy

THIS article is intended to summarize the views comm
in non-official scientific circles concerning the present a
roles of atomic energy in world affairs. Although many
aspects—particularly in the field of weapons—are kept
obvious reasons, a fairly clear general picture emerges fr(
pronouncements and from a variety of press reports.

THE SCIENTIFIC BACKGROUND

The changes that take place in matter when 'atomic
liberated are of a fundamentally different character from
familiar chemical changes. In a chemical change only
parts of the atoms of which matter is composed are c
'Atomic energy', on the other hand, involves changes in t
core, or atomic nucleus. (It is for this reason that scient
the term 'nuclear energy'.) Given the same weight of ma
amount of energy available from nuclear processes i:
million times that obtainable from chemical change.
enormous change in scale that gives nuclear energy its ir
There is still, however, a precise equivalence between e
tained and quantity of fuel consumed: the energy availa
'limitless'.

The processes whereby nuclear energy has been rele
large scale are of two kinds. In the first, known as fission
heavy elements break up into smaller parts, leaving
lighter elements. Materials in which this fission proces:
place are called fissile materials; they include a relatively
stituent of ordinary uranium, uranium-235, and also plu
material which does not exist in nature but can be obta
ordinary uranium in an atomic pile.

An atomic pile (or, in scientists' nomenclature, a nucle:
is a sort of nuclear furnace which consumes fissile mater
the process generates heat. Technical considerations h:
the design and building of a number of different kinds of
fuel may be ordinary uranium, or uranium enriched
higher concentration of fissile material. The pile may be
specifically for generating heat—so that it may serve as t
of energy for a heat engine—or it may be concerned chiefl

production of one of the by-products of the fission process—for instance plutonium, or radioactive isotopes for use in medicine and research.

For both civil and military applications, piles thus fulfil two functions of the greatest importance. Firstly, as a source of heat, they promise eventually to replace the burning of coal in our electricity generating stations. Secondly, as a means of producing pure fissile material, they are a source of the explosive material used in the atomic bomb.

The action of an atomic bomb depends upon the fact that if sufficient fissile material is brought rapidly together so that its total bulk exceeds a certain critical size, then fission takes place spontaneously throughout the material and there is an exceedingly powerful explosion. The critical size is such that, at Hiroshima, the explosion was the equivalent of 20,000 tons of T.N.T. The actual magnitude of the explosion depends, of course, on the detailed design of the bomb mechanism, but the existence of the critical size sets a fundamental upper limit to its power. It was as a way of overcoming this limitation that the hydrogen bomb was developed.

The hydrogen bomb makes use of the second kind of process by which nuclear energy can be released: the so-called thermonuclear or fusion reactions These reactions involve the nuclei of the very lightest elements, usually with hydrogen as one of the initial materials and helium as an end product. To initiate a thermonuclear reaction requires an exceedingly high temperature, such as is produced in a fission bomb. It is therefore reasonable to picture a hydrogen bomb as consisting of a mass of hydrogen-rich material—the thermonuclear explosive—with a fission bomb to act as detonator. The amount of explosive that can be assembled in one bomb depends on purely practical considerations—there is no limitation in principle—and the explosions actually produced have been about one thousand times more powerful than those of the first fission bomb.

No method is yet known by which thermonuclear reactions could be initiated and controlled in a manner suitable for the generation of power. There is no thermonuclear analogue to the atomic pile, and at present the applications that can be envisaged are purely military.

A question of some importance for the military significance of the hydrogen bomb is its costliness of manufacture, and this in turn depends upon the precise nature of the materials that go to

make up the thermonuclear explosive. There has be
speculation on this subject in the American press, so
apparently well-informed. From these reports it app
ordinary hydrogen is not suitable and that the principal c
must be deuterium—'heavy hydrogen' of mass 2. Thi
can be obtained without much difficulty. Heavy hydroge
however, is said to have too high an ignition temperat
successfully detonated by an ordinary atomic bomb. On
which, it has been suggested, would meet this difficulty
some tritium (hydrogen of mass 3) as a 'primer'. Now trit
be manufactured, from lithium, in special atomic pil
therefore exceedingly expensive. Moreover a complete
liquefaction plant, maintaining a temperature close to th
zero, is required to concentrate the materials sufficientl
bomb' of this type would therefore be a cumbersome and
device.

A much simpler solution—if, indeed, it works—is t
material lithium-6 deuteride as the thermonuclear
Lithium deuteride is a solid—so this bomb is a 'dry bo
the lithium-6 can be obtained at a fraction of the expe
tritium. According to the American press reports, the fir
can thermonuclear test, in 1952, was with a wet bor
dry bombs were exploded both in the first Russian test
and in the American tests in the Marshall Islands in 195
speculations are correct, then it follows that both th
States and Russia are in a position to convert their stocks
ary bombs into hydrogen bombs, and so at relatively l
expense increase the explosive power of their stockpiles a
fold.

THE MILITARY SITUATION

At the time when the first nuclear weapon was dev
1945, its most obvious application was for strategic bom
single explosion over Hiroshima created as much hav
elaborate and costly thousand-bomber conventional bom
on Hamburg and Cologne. A bomb of the Hiroshima t
radius of destruction of about one mile from the centre
sion. Bombs of more recent design may well be consider
powerful. The advent of the hydrogen bomb changes tl
destruction once again; such a bomb, with a thousand
explosive power of the Hiroshima bomb, causes destr

blast up to distances of ten miles, and by heat flash to considerably greater distances.

Stockpiling of atomic bombs has been proceeding in the United States for the past nine years, and in Russia for a somewhat shorter period. No official figures have been given of the number of bombs now available. Press speculation suggests that the American stockpile may number some thousands, and the Russian stockpile perhaps some hundreds. If this is so, and if (as appears likely) the means of delivering these bombs to their targets are available, it is obvious that a full-scale atomic warfare would result in far more extensive damage to cities and to industrial plant than has yet been seen in war. Compared with the cost of rebuilding, the cost of destruction has been very considerably reduced by the development of atomic weapons. In 1946 General Arnold estimated that with conventional bombs the cost of destruction was about one-fiftieth that of rebuilding, while with mass-produced atomic bombs the cost would be reduced by at least a factor of 6. Senator McMahon told the American Senate in 1951 that the cost had become hundreds of times less than with T.N.T. Hydrogen bombs may now reduce the cost by yet another factor of 10, if the speculations already quoted on the nature and cost of the thermonuclear explosive are substantially correct. Such considerations lend force to the belief that full-scale atomic warfare could bring about the end of civilization itself. If to this we add the recent warning by the President of the British Association, that the genetic effects of the radioactivity released in the explosion of some thousands of atomic bombs would imperil the future of the entire human race, then we see the urgent need to find a way of solving the present political and ideological differences in the world without recourse to atomic warfare.

It is difficult to estimate whether, if war broke out, it could be fought with either a formal or a tacit agreement between the belligerents not to make use of atomic bombardment. It is, however, exceedingly unlikely that any nation would allow itself to suffer defeat without making use of all its available weapons. The position is further complicated by the development of atomic weapons for tactical use in the field. These would have particular value in a defensive action, for instance the halting of a Russian advance westwards by a numerically inferior N.A.T.O. force. Would their use in such tactical situations lead to the bombing of cities by way of reprisal? In the stress of war, long-term considerations are in-

evitably brushed aside, and it seems more than likely—
the declared intentions of the belligerents to begin w
before long each side would be bent on inflicting the 1
damage possible on the enemy, by every available means

After 1945 there was much talk of the international c
atomic energy, and a United Nations Disarmament Co
is still in being, charged with the task of surveying the w
of conventional and atomic weapons and devising a pla
reduction of both. It must be admitted, however, that the
stockpiles of fissile material make the problem of devising
tive system of control much more difficult than it would l
in 1945. The original intention was that there should l
vision of the extraction and purification of uranium—
that cannot easily be hidden from the observation of an i
Assuming that the amount of fissile material being prod
known, it would not be so difficult to make sure that its d
was to authorized power stations rather than to clandest
factories. But it would be much more difficult for an ins
satisfy himself that the whole of many years' accumulated
had in fact been declared, and that none had been kept i
for a secret store of bombs. Nations would certainly be
to disarm themselves if they thought it possible that such
atomic bombs might still be in existence in other count
for such reasons that some observers believe it would be
begin attempts at international co-operation in fields v
risks are less and the chances of agreement better. Succ
might improve the hopes of reaching agreement later in
difficult—and yet more vital—field of atomic energy.

THE POWER SITUATION

A country's productivity—and, one could say, its leve
nological civilization—is dependent very largely on the a
power per head available to workers in industry. Nation
and power consumed, per head, are closely proportion
present time much of the power available to industry is
as electricity, which is generated in central power statio
burning of coal. Other conventional sources of power, s
and hydro-electric installations, have their importance
unlikely to take precedence over coal. Yet in Great Brit
it is already proving extremely difficult to maintain adeq
plies of coal. Britain's present consumption, per head, is

ird of that in the United States, and her reserves of coal in the
ound are not expected to last for more than perhaps another two
indred years. To keep pace with the growing demands of indus-
y for power, drastic action will be necessary over the next few
cades to eliminate waste in the use of fuel and make the best
e of all the coal that can be mined. On the longer-term view, an
ternative to coal as the source of energy must be developed to
ke its place when the coal seams are exhausted or can no longer
effectively mined. A similar problem must, sooner or later, face
l industrial countries, though the coal reserves of the United
ates and of Russia are much greater than those of Britain.

Great Britain has thus a particular incentive for pressing ahead
ith the development of atomic power stations. In an atomic power
ation the heat generated in an atomic pile by the nuclear fission
uranium is used to raise steam in a boiler: the steam is then
ed to drive the turbines as in a conventional, coal-burning, power
ation. The reserves of uranium fuel appear to be quite adequate
meet Britain's power needs for many centuries to come, provided
satisfactory process of 'breeding' is developed which will permit
e utilization of the whole of the uranium and not merely the
anium-235. (Breeding will increase the amount of fuel available
a factor of 100.) Two experimental atomic power stations are
w being built in the U.K., one in Cumberland, the other (of the
reeder' type) in Caithness. Allowing for the time needed for con-
ruction, and for obtaining operating experience with such novel
d complicated installations, it is not unreasonable to suggest
at twenty years may pass before a thoroughly reliable design is
proved. Even then the actual building of the many costly power
ations needed to take over a substantial fraction of the country's
nerating capacity will take some decades. Professor Sir Francis
mon, in an authoritative and detailed analysis of the prospects of
taining power from atomic energy,[1] suggests that by the last
cade of this century atomic energy could be generating as much
wer as our Central Electricity Authority does at present.

It thus appears likely that the harnessing of atomic energy will
achieved in good time to meet the impending exhaustion of
ritain's coal reserves, and that the supply of power necessary for
r continued existence as an industrial country is assured. On the
her hand, atomic energy does not usher in an age of limitless

[1] *Atomic Scientists' Journal*, Vol. 3, No. 5, May 1954. See also *Atomic Energy, Survey* (ed. J. Rotblat), London, Taylor and Francis, 1954.

power; its introduction will be gradual and costly, and it prov no panacea against the country's immediate fuel difficulties, wl can only be met by improved efficiency and elimination of wa

For regions which are at present very short of power and th fore do not possess a highly developed industry, the adven atomic power is of great significance. Since nuclear fuel is so m less bulky than coal (one ton of uranium represents as m energy as more than a million tons of coal), the cost of transpor fuel over great distances ceases to be a major problem, and ato power stations can be built where the power is needed, whe there are local supplies of fuel or not. Even a relatively sı amount of generating capacity could make a great deal of differe to the economic future of these areas. One may expect that tl countries with the necessary technical knowledge and resou will have the opportunity to develop a vast export industr atomic power plants. To hold a leading place in this new indu is of crucial importance for the economic well-being of G Britain, and is in itself a justification for the very consider effort that has gone into the development of atomic energy.

A final point may be made concerning the relation between military and civil aspects of atomic energy. Much the most exp sive part of the process for making atomic bombs lies in the is tion of the fissile material. This material is what constitutes 'stockpile', and while the needs of defence require it, it n remain available for use in weapons. Should the internati climate change for the better, however, this material would (like most munitions of war) become redundant or obsolete could be a most valuable addition to the supplies of atomic for industry. In this way expenditure undertaken for purpose war would bear fruit in the activities of peace. This is a uni feature of the present arms race. We must indeed hope that stockpiles will never have to be used for their primary purp but that instead we shall be able (in Lord Cherwell's phrase turn our bombs into plough-shares.

H. R. A
A. V. C

The Emergency in Malaya

Some Reflections on the First Six Years

By June 1954 the Emergency in Malaya had been going on for six years. There are points of view from which it may be said to have been going on for eight years (since the Communists began their attempt to disrupt the economy by penetration of the trade unions), or for nine years (since the arming of the Chinese guerilla forces in 1945 for the liberation of Malaya from the Japanese), or even for twenty-one years (since the formation of the Malayan Communist Party in 1933). But officially and for practical purposes the Emergency means the 'shooting war' against an armed insurrection of Communist terrorists which began in June 1948.

It is still going on. There is still a large force of trained and determined fighters in military formations in various parts of the jungle, supported by an elaborate para-military organization on the jungle fringes, and receiving supplies of food, money, and recruits from the civil population.

That description of the position could have been made, in substantially the same words, at any time in the last six years. The only ostensible change is one of degree. The M.R.L.A., or 'Malayan Races Liberation Army', a rigidly disciplined fighting force composed partly of fanatical Communists and partly of bandits *de carrière*, is perhaps not so numerous as it was nor so well armed, and it operates in smaller formations than in earlier years and in diminishing areas. The Min Yuen, the supporting force of lightly-armed couriers, food gatherers, spies, propagandists, etc., has to work much harder for smaller results, especially in food collection, and is increasingly penetrated by the Special Branch of the Police. The civil population, the 'masses' on which the Min Yuen works, primarily Chinese, but also Malay and Indian, is by no means so generally terrorized—except in certain limited 'black areas'—as it used to be, and the attitude of those who live in areas exposed to Communist pressure is now rather one of acquiescence than of devotion.

These ostensible changes of degree are not the whole story, however. For at least eighteen months the initiative has lain more with the Security Forces than with the bandits.[1] It is true that the

[1] Their official designation is Communist terrorists, which is accurate, and

difficulty is to know what to do with the initiative—ther quick solutions or untried measures open to the Director o tions—but at any rate the humiliating period has long sinc when the Security Forces virtually sat and waited for the to strike.

It is not, however, the purpose of this article to review gress of the struggle or to estimate results. Towards the last year General Templer gave instructions for an inves of material from which a history of the Emergency c written. It was the writer's job until July this year to s documents existed in Departmental files and to find other which a historian could use. In effect, this provided a bi view of the whole Emergency from all sides.

The view was in many respects surprising. The Emerg vealed itself as a more interesting subject for a historian tha be supposed, or interesting for different reasons. Some impressions derived from this cursory survey are offered h

In general, the two things of greatest interest historicall Malayan Emergency seem to be, first, the effective together, in the day-to-day struggle on the ground, of the r police, and civil powers, and secondly, the resettlement new villages of more than half a million of the rural Chines lation—a fifth of all the Chinese, and a tenth of the whole tion.

The second of these achievements has received wide p and much misrepresentation. The new villages are not, politicians and journalists have declared, concentration c totally ephemeral congregations of evacuees. If their pe fences were taken down tomorrow, it is unlikely that mor minority of the inhabitants would move out. Yet very few inhabitants had ever lived in a village before or had any ex of life in an organized community. They were mostly one- one-family) vegetable cultivators who had been 'squatt years and even for generations on land to which they had

---

are invariably bandits, and although Communist terrorists may be description of them for Malayan audiences (for many of whom ban by no means dishonourable profession and who need the reminder that is Communist), the term bandits has advantages outside, and comes defining their status in the country and the way in which they differ fr Communist forces.

[1] The political and social background to the Emergency was review *World Today* of August 1949, and the methods used by the Communi start of the insurrection were described in the issue of November 194

on the fringes of the jungle. Many of them are still vegetable cultivators, but on land in the village environs to which they have—or will have, if they wish—a legal title. Others have become rubber tappers or mine-workers on neighbouring estates and mines or they have turned themselves into wood-cutters, peddlers, tinsmiths, carpenters, shopkeepers, etc. Many of the new villages—there are more than 500 of them, some of 5,000 or even 10,000 people—are prosperous commercial entities, attracting trade from the neighbourhood and becoming shopping centres for the Malay kampong people or Indian estate labourers nearby. They have all had village committees to regulate internal affairs under the guidance of the District Officer since their beginning, but now approximately half of them have their own elected councils and are acquiring financial authority to collect rates and taxes and spend them as they wish. In the elections which have produced these Local Councils, the average poll for the whole country has been over 75 per cent of the electorate.

These new villages are also still the bandits' main source of recruits, food, and other supplies (except possibly of money, which is likely to come more from Singapore, Kuala Lumpur, and other big towns). Conversely, they are the main avenues for counter-propaganda against the Communist Terrorist Organization, and the grid, as it were, upon which the Security Forces' framework of ambushes and patrols is based. The two aspects—a contented prosperous community and an active source of bandit support—are not incompatible: rather the opposite. A Chinese family in a new village can have much the same attitude of contentment towards the Government as it has towards the local C.T.s: two equal powers, both to be appeased. But on the whole that is changing: acceptance of the benefits of Government is breeding resentment towards bandit extortion, though it used—four or five years ago—to be the other way round.

The other major achievement, the welding together of all anti-bandit forces in day-to-day collaboration on the ground, is less widely appreciated, though it is perhaps Malaya's greatest contribution to the modern art of war, and deserves close study by colonial administrators as well as by police and military historians.

The Army from the beginning has been 'in support of the civil power', but the principles upon which the technique of this support was based were conceived for a totally different situation. The normal situation envisaged in the War Office handbook on the

subject is a riot, a civil commotion, a *mob* which the Police try to handle by persuasion and which, if they fail, the troops are called in to dominate. In Malaya there was no mob; the crowd—the civil population on its normal avocations—was in a state of terror, if there had been an 'incident' in its locality, or in one of sullen inertia. The situation was, ostensibly, much more like open warfare: an enemy in enemy-occupied territory and a more or less friendly civil population living in a land through which troops would advance to the attack. But in which direction should they advance? Who was the enemy? Half the time the bandits might be vegetable cultivators or rubber tappers. Which was enemy-occupied and which friendly territory? The jungle at any rate was the enemy's terrain; let the Army then advance into the jungle and destroy or drive out the enemy, while the Police took care of the country outside. This was the essence, operationally, of the 'Briggs Plan'.

But, as everybody now knows, these tactics did not work. The Army, receiving information that an area of jungle was the base from which bandit raids had been made or contained bandit camps, would deploy and enter the jungle fringes in company or even battalion strength. With great skill and pertinacity the area would be swept—and at the end not one bandit would have been encountered. Long before the troops had been de-bussed, the bandits had all faded away, into the countryside or into deeper jungle. The troops, reassembling and returning to base, would be heavily ambushed.

This maddening story of frustration has been told again and again. In the second year of General Briggs's period as Director of Operations and, even more, in General Templer's time, the Army learnt a new approach. Now an Army unit—generally no more than a platoon or a couple of sections—goes into the jungle only on first-class information, and it goes in very quietly, with a screen of deception, accompanied by Police, with Iban or aborigine trackers or with dogs or a surrendered bandit or two; and when it is inside it stays there for a week, two weeks, a month if need be; and if anybody is going to be ambushed, it is probably the bandits.[1]

[1] In his first press conference in Kuala Lumpur as Director of Operations on 15 September 1954, General Bourne indicated that his plans of action against the bandits included a more extensive use of air drops by parachute and helicopter into deep jungle so as to 'descend on known C.T. hide-outs, not for the purpose of blind jungle-bashing but to surprise, kill, and disrupt the toughest of their gangs'. In recent and current operations troops have almost taken up

oops arriving in Malaya are now carefully trained to this before they go into the field.[1] Some units have not is training so much as others: the Gurkhas, for example, been there all the time, early became excellent jungle the Marine Commandos, when they could be spared for were very quick off the mark. But—simply to give an -a famous Guards battalion took nine months to kill a

ret of the change is not so much the new type of training egration of Army and Police together as a single anti-rce and the close association with them of the District nd other civil authorities on the ground.

lice knew the country and they knew the people. Bandits ing new to the Malayan Police, not even Communist but the Force was neither equipped nor organized to deal nace on the scale of the shooting war that began in June knew *how* to deal with it (which, broadly speaking, the not), but it had to expand all its 'constabulary' activities ly, especially its intelligence, and it had to learn to pre-esults of its intelligence to the Army in a form which the ild use. At the beginning—and, to a very large degree, —the prime anti-bandit weapon was the Police 'jungle small group of Police, generally Malays under a British inting the bandits down in the neighbourhood of a Police ation. The differences between this and a regular Army are enormous, and the foundation of any substantial hich has been achieved in the war against the C.T.s has nnulment of those differences. This has been arrived at he mechanism of War Executive Committees at State or vel, on which the senior Police officer and the local Army er sit together and plan their joint operations.

---

the jungle, like the Police in their 'jungle forts' for closer contact origines.

my has an excellent manual on Anti-Terrorist Operations, which is evised to bring it up to date with the latest experience of bandit ccessful anti-bandit devices

of the great debates in Malaya whether the Police knew what was une 1948. They were certainly told, by the Malayan Security Service gapore and Federation political intelligence service which was split 1948 into the two Special Branches), and many senior officers had a om their own observation But they did not manage to put the across to the heads of Government in 1947 and 1948, at any rate in or with such emphasis as would have secured more effective or more entive action.

But the chairman of that Committee is a civil officer—the Mentri Besar or the British Adviser at State level (Resident Commissioner in the two Settlements, Penang and Malacca) and the District Officer or Administrative Officer in Districts. Curious as it now appears, there was a widespread impression at the start of the Emergency that the waging of the war against the terrorists was a matter solely for the Police and Army and that the civil administration of the country should go on, as best it could, detached and regardless. But if it could be measured, there would in all probability be found a close correlation between anti-bandit successes in an area and the degree of *civil* association with the Police and Army in that area.

In some areas that collaboration was a reality by the beginning of 1949 (notably in Pahang), but it depended mainly on the inclinations of the local Police commander. (Sometimes the Police officer would have none of it: in one District it took the European A.D.O. six months before he could persuade the Police even to let him have a sight of the daily 'Sitrep'.) Usually the association began over the removal of 'squatters' from bad patches of the jungle fringe or over control of the movement or storage of foodstuffs so as to deny them to the bandits. The District Officer would be called in to assist on practical points of administration or of law, but he often stayed to advise on the general conduct of Emergency operations in his area.

This tentative *ad hoc* association was regularized and made statutory by General Briggs when he set up the War Executive Committees in May 1950, primarily for the purpose of arranging the large-scale evacuation of 'squatters' which became the main point in his resettlement programme. In this, as in many other matters, General Briggs in and after 1950 picked up and gave proper shape to something evolved or suggested by others before him—and General Templer in and after 1952 made it work properly.

Today the W.E.C.s meet weekly, and a formal or informal operational sub-committee meets daily. Any matter which has the slightest bearing on the Emergency comes before it. General Templer defined the duties and responsibilities of W.E.C.s very precisely, but the difficulty nowadays, in contrast with the early days, is to persuade Departmental officials or members of the public that not all their hobby horses or bees in their bonnets may be treated as Emergency matters (and be paid for out of Emergency funds).

Action is or can be extraordinarily swift. To take a matter with which the writer personally was frequently concerned: a patrol may come out of the jungle at first light, bringing with it a surrendered bandit. That surrender will be reported at 'morning prayers' and the Special Branch representative on the W.E.C. will be able to pinpoint the man (his name, aliases, rank, history, family, locality, etc.). The State (or Area) Information Officer, sitting as the W.E.C.'s psychological warfare member, will propose a message by 'voice aircraft' or by leaflet drop to the man's comrades still in the jungle. Special Branch (if it does not persuade the W.E.C. that greater operational advantage may accrue by keeping quiet about the surrender for a day or two) will provide hints on points of special effectiveness (e.g. parallel case histories of other members of the C.T. unit or bits of 'dirt' about the man's senior officers), and the Chinese Affairs representative may be able to indicate points of appeal in the habits or traditions of those particular Chinese (since the C.T. units tend to be all Hakka or Hokkien or some other regional group). The Information Officer will get on to his headquarters in Kuala Lumpur and pass the outline of the suggested message. That same evening the 'voice aircraft' may be over the patch of jungle broadcasting a tape-recorded message, probably in the voice of the surrendered bandit, to his former comrades, or within a further twenty-four hours 5,000 leaflets may float down on it from an Auster.

Apart from the day-to-day planning of local anti-bandit operations between the senior Police officer and the Army commander, the principal item on W.E.C. agendas for the last two years has generally been food control measures. The technique of food control is well known and need not be described here,[1] but the changing attitude of mind towards it among Government officers and Police—as also towards other measures designed to sever the 'masses' from C.T. pressure—has been one of the more interesting developments of the Emergency in recent years.

Realization that protection of the rural population must come

[1] E.g. imposition of a temporary 'operational' rice ration (sufficient for the subsistence of the household but leaving little or no margin for leakage to the bandits); declaration of restricted areas in which food and other articles (such as medicines, printing equipment, plastic cloth, flashlights, rubber boots) may not be carried about; possibly a curfew; the cordoning of the area by troops while food inspection teams visit all dwellings and remove (against payment) all surplus rice above the ration; road checks, possibly food convoys, and so on—a fairly rigid pattern of control lasting perhaps two months, perhaps six, with the Security Forces waiting and watching for the bandits in the jungle, driven by the squeeze on their supply lines, to come out to raid or hunt.

before compulsion has only been gradual. Today it seem
but a lot that was said or written before 1952 shows hov
responsible officials were from understanding that no
Emergency Regulations, threats of punitive action, or p
could wean the rural people, especially the Chinese, fron
ing the bandits unless they were made reasonably sa
work and in their homes. Neither resettlement nor fo
was effective until there were strong Area Security Un
Guards, and so on. The adoption of a reasonable attituc
the rural population and its need for security was due
large measure to the continued pressure of a group of e
Protectorate officers.[1] It can also be said that a lot of t
thinking about Emergency problems in general has bee
these same Chinese Affairs officers, and a surprising pro
the ideas which have subsequently proved to be the righ
first recorded in the files of the Secretariat of Chine
Perhaps it should not be surprising, considering how
almost every aspect of the Emergency is a proper und
of local Chinese habits, traditions, and processes of
Certainly the loss of Chinese-speaking officers, both
Police, during the war was a great handicap in the early
Emergency. It has never been properly made up.

Another continuous stream of clear thinking has com
Commissioner-General's office, especially in the first fev
the Emergency. Judging by the papers on file, a lot of
the repulse of the initial Communist assault in June and
is due to Mr Macdonald. (This is not, of course, to dec
owed to European Police officers on the ground whc
brunt of the attack or the remarkable staunchness of sc
Asian Sergeants and Corporals in charge of isolated Poli
or posts.) Mr Macdonald was alone in a position to
differences at the highest level and to bring to bear in
reinforcements of authority where it was locally weak
more, in the initial conferences of the first few days afte

[1] The few remaining pre-war 'Tai Jins'—of whom so many were
during the war—who after the dissolution of the Chinese Prote
separate Department of Government and the dispersal of its functio
Labour Department, the District Administration, etc., became Stat
for Chinese Affairs or members of the (advisory, non-executi
Secretariat of Chinese Affairs.

[2] The day of the murder of three European planters in the Sung
of Perak which set in motion the Government's resistance to the arm
tion.

it was he who insisted on the paramount importance of preserving the economic stability of the country by protecting the estates and mines. Roughly speaking, the Army wanted to use all its powers on chasing the bandits in the jungle, and the High Commissioner and the Commissioner of Police gave priority of emphasis to C.I.D. action in pursuit of malefactors. The Commissioner-General alone seems to have appreciated the magnitude of the threat to the life of the country. He must also have done a power of good by his visits during June and early July to the most hard-pressed estates and mines in South and Central Johore and in Perak.

The heroism of the planters has been amply recognized. They were indeed 'rural bastions' against disaster. A point that is worth making is that, in contrast to the planters, the mining community did not get an adequate supply of arms and ammunition for their defence in the first few months; they did not need so many, having far less ground to hold and much less scattered labour, but it is one of the less creditable passages in the history of the first year that the miners had to buy arms from America.

One of the legacies of the Emergency which already causes much speculation and debate will be the large number of men, mainly Malays, who have been trained in the use of arms (but not in the strict discipline of Police or military service) as Home Guard, Special Constables, and Auxiliary Police in the protection of villages, estates, etc., and the smaller but still considerable number of them who own the arms.[1] The Emergency has by no means stifled political aspirations (rather the reverse: in fact, their intensification is one of the stronger testimonies on the credit side of the British and Malayan Governments, as a symptom of the social and economic advance of the country in spite of the Emergency), and these arms and arms-trained men may constitute a dangerous temptation to the demagogues of the next few years.

One of the difficulties, and also one of the attractions, of a history of the Emergency will be the degree to which the course of events has been affected by personalities. A number of strong and highly differentiated characters have impressed themselves on the Malayan scene in the past six years, and the historian will have a fascinating, if extremely delicate, task in forming a judgement in the many controversies which their actions or inactions provoked

[1] There are probably 60,000–70,000 Home Guard who own their arms. S.C. arms are all Police issue now, though where A.P. still exist on estates etc. their arms are generally owned by the company. (Town A.P. have now all become S.C. or Police Volunteer Force).

and which still hang in the air over Kuala Lumpur. Th
headings of a history of the Emergency could be simply t
of half a dozen men—the late Sir Edward Gent, one of
tects of the abortive Malayan Union that preceded Federa
was High Commissioner for the first ten days; Mr W.
who came from Palestine to take over as Commissioner
after the first two months and exercised virtually sole co
operations until the appointment of the late General
April 1950 and then shared it with him for a year; S
Gurney, High Commissioner for almost exactly three y
October 1948 until his death in ambush in October 1951
Briggs himself, the first Director of Operations under
and General Templer,[1] whose driving force and unified
High Commissioner and Director of Operations solved
the problems which had thwarted Gurney, Briggs, and

Operationally, the worst period of the Emergency
highest monthly totals of incidents, etc.) has so far been
part of 1950, but the really bad period was probably the m
end of 1951. The High Command—Gurney, Briggs, G
their great work in stemming the tide in 1949 and turn
showing the way it could be turned, in 1950, seem to
stuck, and it is difficult to avoid the feeling that so
disaster—not perhaps so terrible as the killing of Gur
inevitable at that period.

The relative absence of major disasters in the past si
remarkable. To those with experience of Jewish ter
Palestine, the failure of the C.T.s to attack any major inst
Government or any important industrial centre is at
astounding; and to arrive in Kuala Lumpur and note t
complete non-existence of security precautions is start
hitherto it has been justified. Except for half a dozen sm
in Ipoh in 1950 and one or two killings in Penang, the l
have been free of incidents; but although incapacity on t
the bandits may be one reason, another is certainly
value of the big towns to the C.T.O. as sources of sup
prisingly, the realization of this simple fact came as a sh
public in the Federation in mid-1953.

[1] A matter which a history can certainly set right is the totally err
pression that General Templer was a cold-hearted tiger. Merely t
file of his minutes to the Commissioner of Police is to be struck by h
humanity. He really cared, for instance, what the village policeman fel
it his business to see that all concerned knew too.

One final point which should receive considerable attention in any history of the Emergency is the great extent to which Malaya has paid the costs of the Emergency. Apart from bearing the cost of British armed forces serving in Malaya, the British Government has only been called upon twice in the six years (in 1949 and 1954) to assist the Malayan Government financially, and the amounts involved were £5 million and £6 million only. Direct expenditure on Emergency matters is about a fifth of current Government outlay, but the Emergency also swells the totals of many Departmental budgets; a third of the total would probably be a fairer estimate (i.e. £10–£11 million out of £32½ million). This is a very heavy load for a small country to bear, especially when the largest items of revenue are derived from trade in two commodities (rubber and tin) for which world prices are markedly depressed. In fact, for the current year, there is an estimated deficit between revenue and expenditure which very closely approximates to the direct costs of the Emergency—hence the large-scale economies now being practised by the Government. But socially and economically the people of the Federation are unquestionably better off today than they were when the Emergency began. No one who knew Malaya six years ago (or even three years ago) and revisited it today could fail to note the rising standard of living of all classes of the community (except possibly of European Government officers), the expansion of Government services for the benefit of the community, and the buoyant tone of all planning and discussion in industrial and commercial circles. Even the shadows cast ahead by the likelihood, as self-government approaches, of some injudicious political demagoguery do not induce any real gloom.

Nor does the prospect of an apparently interminable Emergency.

J. B. P. R.

International Officials

A Question of Loyalties

In his recent history of the League of Nations[1] Mr V
calls for a new generation how Sir Eric Drummond,
was, created an international civil service. Hitherto s
national secretariats as had been formed consisted
seconded by their Governments or provided by the hos
and many thought that this system was the only one po
envisaged the League secretariat as a collection of nation
each under its own head. Naturally enough they rece
doubt and misgiving the new proposal for a body o
appointed on their own merits, to be servants of the Lea
officials would be expected during their tenure of office
spired by an international loyalty comparable in its u
integrity to the spirit which animated the civil servi
United Kingdom. Yet the League succeeded in produc
body of officials, and in so doing made history. 'The c
a secretariat international alike in its structure, its spir
personnel was without doubt one of the most importan
the history of international politics—important not onl
but as the indisputable proof of possibilities which ha
been confidently denied.'[2]

This extension of the concept of the British civil servic
at work in the creation of the International Labour Offic
Harold Butler and Edward Phelan laid the foundations,
remarkable Frenchman, Albert Thomas, came to b
Director. But in both secretariats it was not only a ques
tegrity and international loyalty; there was also the
whether men and women of such diverse traditions coul
efficient machine. This also was accomplished. 'The se
writes Mr Walters, 'was universally considered to be
ment of the highest efficiency.' He was referring to the
officials of the League, but the smaller body who work
I.L.O. and who had a more limited objective was said t
efficient still.

There was one other feature of these earlier bodies t

[1] F. P. Walters: *A History of the League of Nations* (London, R.I.I.A., 1952).
[2] *Op. cit.*, p. 76.

be remembered: there was, on the whole, a balance of prestige, as between Britain and France, in the higher appointments. The British Secretary-General at the League headquarters was later succeeded by a Frenchman, and at the I.L.O. it was the other way round. When Sir Eric Drummond retired there was indeed talk of making another British appointment so that the foundations might be well and truly laid in the British manner, but at that juncture Albert Thomas died suddenly and when his deputy, Harold Butler, was invited by the I.L.O. Governing Body to succeed him, the appointment of Monsieur Avenol at the Palais des Nations was a foregone conclusion.

The loyalty and integrity of international officials cannot be guaranteed by regulations. Nevertheless these virtues had to be enshrined in words. They were written into the oath of allegiance which officials took on appointment to their international organization. On the other hand there was nothing in the Covenant to govern the behaviour of member-States towards the international official, and when in 1927 Mussolini decreed that all Italian employees of the League must be approved by the Italian Government on pain of fine or imprisonment he was not contravening any regulations. Much has been made of this in retrospect, and it has been suggested that this was the beginning of the downfall of the League. But although it was the first assault of totalitarianism on the League structure it did not assume such importance at the time, perhaps because outside Italy the term 'fascist' still had only a serio-comic significance.

The reputation of the League secretariat as a truly international body did not weaken until the League as a whole began to fail, and it would probably be fair to say that the International Labour Office maintained its international standard up to the second World War and after. It was of course less susceptible to political influences.

The League Covenant's silence on the position of international officials was remedied in the United Nations Charter, where Article 100 reads as follows:

1. In the performance of their duties the Secretary-General and the staff shall not seek or receive instructions from any Government or from any authority external to the Organization. They shall refrain from any action which might reflect on their position as international officials responsible only to the Organization.

2. Each Member of the United Nations undertakes to respect the exclusively international character of the responsibilities of the Secre-

tary-General and the staff and not to seek to influence them in the di
charge of their responsibilities.

It is against this historical background that American pressu
on the United Nations must be considered. But it is not the who
relevant background; there is also America's gradual—if such
word can be applied to the process—abandonment of isolationisn
The U.S.A.'s enthusiastic support for the United Nations has pe
haps obscured the American contribution to the League. Apa
from President Wilson's early espousal of the League, learne
Americans contributed to the thought on which it was planne
and there was much unofficial American support, both in advic
and benefactions, after the American public had turned in seemin
revulsion from this first venture in collective security and co
operation. It was this revulsion, as well as the atmosphere of failu
with which Geneva was thought to be invested, that led to th
search for a new international headquarters, and it was the U.S.A.
enthusiasm for the United Nations that was largely responsible fo
the choice of New York, despite the protests of the remainin
isolationists and the misgivings of those who thought it a mistak
that the leading Power should also be the host country.

The probe for potentially dangerous Americans in the Unite
Nations secretariat is an aspect of the cold war and an extension o
the investigations which have become a familiar feature of Unite
States domestic policy in the last five years. The fear that th
American public services and the teaching profession were ha
bouring Communists naturally enough led to similar suspicion
about the United Nations, where nearly half the staff of 4,000 we
American citizens. Members of Congress were expressing thes
anxieties in 1949, and before the end of that year there was a con
fidential arrangement between Mr Trygve Lie and the Stat
Department whereby the State Department, drawing on informa
tion in its security files, told the Secretary-General which of hi
employees or applicants for employment would 'appear to b
Communists'. This private understanding became public i
October 1952.

During 1950 the McCarran Subversive Control Act set i
motion an organized campaign against potential American Com
munists at the United Nations headquarters. The two instru
ments of investigation, a special Grand Jury and a Senate Sub
Committee on Internal Security, became active in 1952, callin
before them a number of American citizens and questioning the

ail about their past and present activities. Among the organi-
is regarded as subversive were some, such as committees for
ipport of Republican Spain, which no longer existed and
i had carried no general stigma at the time of their operation.
some of those questioned were under suspicion for what at
me had been considered innocent or even admirable or for
had been mere undergraduate ardour. One official, for ex-
:, perplexed by the accusation that he had once shown Com-
st sympathies, was entirely at a loss until he remembered
n 1936 he had witnessed a struggle between Nazis and Com-
sts in a German town and had cheered the Communists and
himself one of them.

October 1952 Mr Trygve Lie, who was in something of a
tick, decided to seek the advice of an independent committee
ists (American, British, and Dutch) of his own choosing. The
:rs that he received to the questions submitted to this com-
: have been widely criticized by other jurists, and it has been
sted that the committee was not sufficiently conversant with
:culiar status of international officials. Be that as it may, the
serious aspect of the jurists' report was an opinion that the
tary-General is entitled to dismiss any member of his staff
nvokes the constitutional privilege against self-incrimination
stioned by an authorized representative of his Government.

of those summoned to appear before the Senate Sub-
nittee had invoked the Fifth Amendment and had already
dismissed or suspended. Further dismissals followed. Two
i illustrate the tragedy and the comedy of a state of affairs
made daily headlines in the American press and which
or McCarran promised would uncover a 'truly startling
ion'. On 13 November Mr A. H. Feller, legal adviser to the
tary-General, committed suicide, and Mr Trygve Lie assert-
it his death was due to overstrain from defending American
yees of the United Nations against 'indiscriminate smears
xaggerated charges'. Also about this time some of the dis-
d employees of the United Nations were at pains to establish
ley had been fired for incompetence and not for disloyalty.

7 January 1953 Senator McCarran introduced a further
ire in the Senate. It was intended 'to prevent citizens of the
d States of questionable loyalty . . . from accepting any office
ployment in or under the United Nations'. The penalty was
ry fine, imprisonment up to five years, or both. Two days

later came President Truman's Executive Order No. 10,422 whic described the procedure for investigating the loyalty of American employed by the United Nations, and during the following mont questionnaires and finger-print cards were distributed to the 2,00 United States citizens who were in the United Nations or it agencies. It has been pointed out that in some of the agencies th questionnaires were distributed and collected by the admini stration; the questions were concerned with the private as well a the professional lives of those who were required to answer. At th United Nations headquarters the Secretary-General allowed th F.B.I. to move its finger-printing apparatus into the basement t save nearly 1,800 men and women going to the police station. I April Senator Cabot Lodge, the U.S. delegate to the Gener Assembly, said: 'The United States Government does not believ that persons engaged or who, based on their past and presen record, seem likely to engage in subversive activities against an member State should be employed in an international organizatior We will do all in our power to provide the Secretary-General wit information necessary to enable him to make a determination o this matter.' In June President Eisenhower amended his pre decessor's Executive Order to establish an 'International Organi zation Employees' Loyalty Board' which would make 'certai information' available to the Secretary-General or the heads of th Specialized Agencies. The board would consider all the evidence i each individual case to discover whether there was 'a reasonabl doubt as to the loyalty of the person involved' and advise according ly. A year later, in the summer of 1954, the board was travellin through Europe to examine certain Americans working in th Specialized Agencies. It was unable to hold a hearing in Genev owing to the objection of the Swiss Government. Earlier in th year selected Americans, on whom the F.B.I. had 'unevaluate derogatory' information, had received a second kind of question naire, more detailed than its predecessor and asking for particula about colleagues (of any nationality) as well as about the person t whom it was addressed. This was known as an 'interrogatory'.

All through 1953 the investigations had continued in New Yor and dismissals had gone on. Nevertheless no startling revelatio had occurred, no heavy infiltration of Communists had been un covered. Mr Trygve Lie's statement to the General Assembly o 10 March 1953 still remains true: 'not a single United State staff member of the United Nations secretariat has ever, in th

whole history of the Organization, been charged in any court of the United States—much less convicted—of espionage or any act of subversion or sabotage'. It must not be overlooked that during all these investigations membership of the Communist Party was not illegal. The standpoint of the American authorities seems to have been, firstly, that the United Nations might be a useful field of operations for spies, a suspicion that was inflamed by spy cases elsewhere; and, secondly, that there were plenty of good Americans of indisputable loyalty and that these were the ones who should become international officials. It was a point of view that cut across the right of the Secretary-General to appoint members of his staff freely and according to their suitability for the work, having due regard to an appropriate representation of the various regions of the world. It led to staff regulations being interpreted curiously, and also to their modification.

How many employees were dismissed because of American pressure is not known, although the number is said to be considerable. A score or so took their cases to the administrative tribunal of the United Nations or to that of the International Labour Organization which has come to serve the other Specialized Agencies in Europe as a matter of convenience. Both tribunals exist as final courts of appeal. They consist of independent judges, appointed by the General Assembly and the International Labour Conference, and their competence does not extend beyond the range of staff regulations. Their decisions are binding on the Secretary-General or the Director-General of an Agency. They have often awarded compensation to dismissed officials as an alternative to reinstatement, and in the U.N. Assembly last year the United States questioned these payments. The matter was referred to the World Court at The Hague which on 13 July 1954 decreed that the Assembly could not overrule the judgement of its tribunal.

Brief reference may be made here to two cases, chosen more or less at random, to illustrate the conflict that is apt to develop between the Secretary-General and his staff. In case No. 26 Ruth Crawford, who had been working as information officer in the International Children's Emergency Fund since 1947, claimed that she had been dismissed because she had been a member of the Communist Party for about a year from 1935, was now a member of the Progressive Party, and had refused to answer one of the questions put to her by the investigating committee of the Senate,

invoking the Fifth Amendment. The Secretary-Genera
that by this invocation the applicant had infringed a staff
which required an official to exercise 'reserve and tact' a
In giving judgement the tribunal pointed out that the onl
the applicant had refused to answer was as to who had as
join the Communist Party in 1935. Her dismissal wa
illegal. In case No. 42 another woman, Julia Older,
worked in the U.N. editorial section since 1946 with a p
contract, argued that she had been dismissed on suppo
munist affiliations although she had stated on oath d
previous five years of Government service that she had n
a member of the Communist Party. She claimed that the S
General was acting on an illegal agreement with the Uni
Government to 'terminate employment on political grou
Secretary-General in reply maintained that he merely
information from the United States Government, but
own decisions. The tribunal, although unable to pass ju
on the agreement, declared the dismissal illegal. It award
compensation in lieu of reinstatement because the a
periodic report had described her as 'exemplary',
'intelligent and conscientious', and because having lef
career at the urgent request of the United Nations she
likely at the age of forty-eight to be able to return to h
work.

The scene now shifts to Unesco where, thanks large
first Director-General, Dr Julian Huxley, there is a st
association. This is backing the seven Americans who in
mer of 1954 refused to go before the Loyalty Board when
investigations in Paris. Dr Luther Evans, who has been
General since July 1953, announced that he would not re
contracts—a decision which amounts to dismissal for fou
in December. In the meantime the Unesco Conference
met in Montevideo during most of November and it is un
that Dr Evans will seek guidance from it on this and kind
ters. Before he came to his present office in July 1953 l
was Librarian of Congress and had spoken against 'book
It was thought that he might take a stand against America
pressure which at that time was directed especially at o
American in the Gift Coupon section—Mr David L
official had had his passport confiscated when he wer
American consulate for a routine renewal. For this reas

fused to obey a summons to appear before the investigating jury in New York, stating that he saw no hope of returning to his post and his family in Paris. Dr Evans offered to transfer him to the Unesco office in New York and to arrange for his family to follow, but Mr Leff contended that he could not continue with his special work there and asked the Director-General instead to support his request to be questioned at the American Embassy in Paris. The Director-General seemed uncertain how to act, perhaps because of a previous suggestion from the U.S. Assistant Secretary of State that the U.S.A.'s continued support for Unesco was dependent on his co-operation. More than once Dr Evans ordered Mr Leff to go to New York, but rescinded the order after the Unesco Appeals Board had so advised him. This advice was confirmed by the I.L.O. tribunal in September 1954 when it referred back to the Appeals Board an appeal by Mr Leff concerning an order to show cause why he should not be sued for contempt of court in not going to New York to satisfy the Grand Jury. After this the Leff case seemed to dissolve in temporary confusion, but it will presumably re-emerge when the Director-General's decision over the Loyalty Board cases is appealed against.

One thing that comes out clearly in all this is that officials, including the administrative head of a specialized agency, are obliged to spend a lot of time and sometimes a good deal of money in litigation. A weariness is beginning to set in, and it has been suggested that an independent commission might be appointed to try to clear up a situation that is bringing international servants into the headlines instead of leaving them to get on with their proper work.

K. G.

Malta Today

Political and Economic Problems

THE first result of a survey of the problems facing the Maltese Islands is the realization that few of them are of recent origin. Political and economic difficulties have accumulated over the years, and have grown rusty with insufficient attention until the rust has

eaten into the base of good relations between Britain a

The Maltese Islands, consisting of Malta, Gozo, anc came under the protection of Great Britain at their ow in 1802, but it was not until 1814, by the Treaty of] Malta's position in the Empire was confirmed.

Outstanding in the hundred and forty years of British 1814 has been the great increase in the Island's prosperit the previous three-hundred-year rule of the Knights of ! Jerusalem, which ended when Napoleon captured tl much of the wealth and treasures of Europe had poured i Under Britain, after the defeat of the French garrison, th of military and naval forces and vast expenditure on the dockyard and the Island's defences developed Malta in mense strategic naval base. The politically conscious Ma had enjoyed a measure of self-government under the O John, and indeed back through the centuries to Roman beyond, were quick to establish their claim to similar rig Britain. None the less, such were the vicissitudes of politi tion that it was not until 1921 that Malta was grant governing Constitution. Since 1814 five Constitutions, c varying degrees of power on the local Government, l granted, and four times a Royal Commission has been ca to help solve urgent problems.

Now once more Malta faces crisis. The fate of the Isla on the decisions taken to resolve the political and econc culties at present threatening her stability and security. today seems clear: Malta will either retain her present valuable asset to the Commonwealth and the West, or w degenerate into yet another colonial trouble spot. Th one way or another is the equal responsibility of the M British Governments since they rule Malta under a c Constitution.

After the second World War, in which Malta's he earned her people the award of the George Cross, self-go was once more granted to the Island by the Britisl Government under the Letters Patent of 1947. This Co was dyarchical, and gave Malta a larger measure of sel ment than previously; but in practice it has been foun grave limitations, and to be most unwieldy. Malta v autonomy in domestic affairs, whilst the British Goverr mained responsible for 'Reserved Matters' such as defenc

policy, immigration, foreign trade, and civil aviation. Thus two Governments—eight British Government Departments and eight Maltese Ministries—share the conduct of Maltese affairs. The result is that frustration, delay, and the well-known defects associated with bureaucracy in a top-heavy administration have frayed rather than strengthened the bonds between the colony and the United Kingdom. Local political instability has done nothing to improve the atmosphere, and since 1947 Malta has had four general elections.

The first Labour Government under Dr Paul Boffa, elected with a clear majority in 1947, suffered an unexpected set-back in 1949. The Government had issued an ultimatum to Britain through the Colonial Office demanding an answer to the requests already put forward by their delegation. The ultimatum was subsequently withdrawn, but the majority of the Labour Party, led by Mr Mintoff, a Cabinet Minister and one of the signatories to the ultimatum, disagreed with the withdrawal, and were responsible for the eventual collapse of their own party's Government early in 1950. Mr Mintoff then severed relations with his former colleagues and formed a new Malta Labour Party, while Dr Boffa's party was renamed the Malta Workers' Party.

Since then Malta has had a Coalition Government. The Labour vote was inevitably split between the two Labour parties. The Nationalists, the heirs to the old pro-Italian party, and formerly the Opposition, became the largest single party in the Assembly, but since they lacked an overall majority they were forced to form a Coalition Government with the Malta Workers' Party. This Government, under the Premiership of Dr Borg Olivier, has survived two elections with a diminishing majority. The growing Malta Labour Party under Mr Mintoff is now the largest single party in the Legislative Assembly, and the Coalition's majority has been reduced to one. This is a precarious state of affairs for any Government, and it is not surprising that the ever-present threat of defeat results in delays and uncertainties in the day-to-day business of government. The Maltese Islands are in great need of a stable Government unhindered by internal political wrangles, which can administer with courage and foresight over a period of time.

The nature of the Constitution itself is held by many to be partly responsible for the shortcomings of the administration. The lack of a second Legislative Chamber has been gravely criticized.

The system of universal suffrage for those over the age of one, though popular, is considered to have been introdı soon, and the complicated method of proportional repres which was designed for Malta has not been entirely succı large proportion of the electorate are illiterate, and many entirely fail to grasp the significance of their responsib voters. The dangers of corruption, present in any commu intensified under these conditions, and political integrit harder to maintain.

In these circumstances dissatisfaction is justifiable, a coupled with the country's political ambitions, has led recent agitation for a higher status for Malta than that of a Malta, which has so far held a unique value for Britain Commonwealth and Empire, now claims unique treatme tically. Dr Borg Olivier, the Prime Minister, and his Na Party favour Dominion status, and have formally expres view to the British Government. The Malta Labour Party other hand, has recently launched a campaign in favour integration with Britain. The British Government's ı September 1953 was to offer to transfer Malta from the Office to the Home Office.

The offer, which remains as yet neither accepted nor by the Coalition Government, aroused great interest in the The Nationalist Party maintains that it is insufficient, tha not do justice to the aspirations of the Maltese people, an takes them further from, rather than nearer to, their Dominion status. The Malta Labour Party greeted t favourably as being a step towards integration.

There is no suggestion that the transfer to the Hom would provide a complete solution to Malta's political pı but at least a change, and one that is incontestably for the has been proposed. Economically there do not appear to benefits to be derived from the transfer, but the prestige a would be of a value not lightly to be ignored. Malta wou achieved the ambition of years—to part company with the Office—and would rank with the Channel Islands and the Man. The idea is certainly more practical and easier to immediate operation than either of those mooted by Malt ing politicians. Dominion status, involving economic indep and autonomy in both domestic and foreign affairs, is cl Elysian dream in a strategic fortress dependent on its

'industry' for a livelihood. One reply to this contention which has gained a certain amount of popularity is that Malta, if granted Dominion status or even total independence, could maintain herself economically were Britain and N.A.T.O. ready to pay for the privilege of maintaining the Island as a strategic base under conditions of perpetual treaty. The Island would thereby retain both her security and the trade and prosperity derived from the large Service population and the monies poured into the dockyard, where the wages alone amount to some £70,000 a week. Though this argument is plausible, it must not be forgotten that the development of air power has tended to diminish the Island's strategic value, unless steps are taken for the large-scale development of an air base. Though the Headquarters Allied Forces Mediterranean, responsible to S.H.A.P.E. in Paris, was established in Malta last year under a British Commander-in-Chief, there is no guarantee that it will remain in the Island. Recently Lord Ismay, Secretary-General of the North Atlantic Council, and fourteen members of the Council visited the headquarters for the first time. At a press conference Mr Ellul Mercer, a Labour Party Member of the Assembly, suggested that N.A.T.O. needed Malta more than Malta needed N.A.T.O. In reply, Lord Ismay said that were Malta not a N.A.T.O. base it would become a base for a potential enemy. There was no possibility of neutrality.

This being so, Malta may run the risk of losing security in the attempt to improve her economic position. Any vital base is a target for Communist infiltration. In Malta the Communist Party's almost total failure so far is due both to the strength of the position of the Roman Catholic Church in the Island and to the prosperity and full employment at present enjoyed, which is derived from the War Damage and Reconstruction Funds. The latter, however, can scarcely last beyond 1956. Of the original grant of £30 million made by Britain at the end of the war, only £14 million now remains. None the less Communism has gained a small but deep-rooted foothold which must not be ignored. The Malta Labour Party maintains that its own existence and its aims automatically exclude any likelihood of Communism making a successful appeal to the people in general. But this does not mean that Communism will not make every attempt, through infiltration, to make its appeal felt.

The Malta Labour Party's suggestion of integration and representation at Westminster seems to hold out even less chance of

success. The distance in miles may be no disadvantage in these days of jet air travel, but nothing can bridge the differences of centuries of civilization, of religion, of law, and of judicial practice which, despite similarities, call for vastly different treatment in the two countries. Integration, if total, would turn Malta into the equivalent of a British county. To gain a few seats in Westminster and a 'County Council' in Malta, the Island would presumably lose a Government, a Legislature, and a large measure of local independence under the guise of forging closer bonds between the two countries. This may not necessarily be the Malta Labour Party's view of total integration, as it has so far failed to reveal any details of its plan. But inevitably the result would be more and louder complaints against remote control than were ever voiced against the Colonial Office in pre-Constitution days. Malta's Government, despite the restrictions of 'reserved matters', at present holds an international position from which it would presumably be automatically excluded by integration. From the economic point of view the Island would gain the benefits of the Welfare State, but it would also have to pay for them in the form of English taxation and rating which stand at a much higher level in the United Kingdom.

Among business men and the professional classes who are loud in their strictures on the political system but are apparently unwilling to do anything to help, there is a feeling that Malta would be better served if returned to complete Colonial Office control. The dangers of losing the Constitution are very real, but at no time could such a step be considered an advantage. It would be a retreat, an admission of failure.

A change in the local administration might provide a partial solution. Though the discipline of working in a Coalition has been an education for Maltese politicians, and has successfully eliminated extreme policies on both sides, there is a widespread feeling that the administration has run its course. Should the Government fall, which might happen any day, there is little doubt that, with or without elections—the alternative is for the Governor to call on the Leader of the Opposition—the Malta Labour Party would be able to form a Government. The wish for a change is possibly inevitable, but pays small tribute to the untiring efforts of the Prime Minister, Dr Borg Olivier, who has led the Government for over three years in the face of great difficulties.

Mr Mintoff, the leader of the Opposition, is an able politician

traction of a demagogue. During the last three years the
our Party has grown from strength to strength. Never-
change would be fraught with anxiety. It would perhaps
judge Mr Mintoff's true political views on the evidence
he played in wrecking a moderate Labour administra-
;o, and on the ultimatum to Britain (which he has yet,
t, to withdraw), rather than on his recent support of a
ıtegration with the United Kingdom. There is no doubt,
: at the official organ of the Malta Labour Party, *The*
ll confirm, that he has gained much of his popularity
itish propaganda. This does not necessarily mean that
ty of the people are anti-British. There could be no
ness to the people's feelings than the loyalty and digni-
ıiasm with which they greeted their Queen on her four-
ı May. However, judging by his published propaganda,
ff's avowed policy is destructive rather than construc-
e inclines to more drastic measures than would be desir-
: likely to become Prime Minister. But it is quite possible
ın office Mr Mintoff and the Labour Party would find
, and would be less inclined, to pursue violent courses.
le the political disputes are the economic troubles which
y from Malta's total lack of natural resources. Agricul-
barren rock yields but a poor and hard living for about
)f the population. The Island can provide for itself for
r days a year, a great disadvantage in view of its liability
cted to siege. Malta has to fight for her livelihood in the
kets. A rise in the price of wheat may make a great
to the Government subsidies, and would be enough to
a tight £8 million Budget. Exports are negligible,
ırprisingly enough, quantities of seed potatoes and
leave the Island. Other exports include Malta-made
ı, which are sent all over the world and particularly to
ıa, lace, beer, buttons, and 'Malta-weave' textiles; but
ties are small.

fort to stimulate local industry and to reduce imports,
nment has recently adopted a policy of protection of
ıtry and the granting of monopolies. This policy has
doubtful value, and the dangers of excessive protection
riment of the consumer have not been avoided. An
' this which caused an outcry in the local press last year
ı the Government refused to grant a licence for the

importation of some 'Green Line' type coaches, in order to protect the local coach builders. This has little significance until one has experienced a ride in the local product.

Industry is also hampered by the lack of water and power. The electricity problem is one of the few so far successfully resolved, and a £2½ million underground power station, built largely with American aid, was opened last year, though it is not yet in full operation and is unlikely to be so for another eighteen months or more. The water question is much more serious. Malta has no artesian water supply, and depends entirely on the mean annual rainfall of about 20 inches. This is quite sufficient, but storage space is inadequate, and it is estimated that a third of the rainfall is lost. As the rain comes in the months from October to April, and it is rare to have even a shower in the intervening months, the position becomes acute during the summer. Agricultural expansion is strangled at birth, and a factory whose water supply is liable to run dry without warning is in no position to hold its own in competitive industry. The population, at present 320,000, was only 150,000 in 1880 when the last substantial additions to the water storage system were made. The answer is to find £8 million—the equivalent of the Budget estimates for one year—to increase underground storage galleries; but whence is it to come?

The population increase has also brought a scare of unemployment. Full employment will end with the expiry of the War Damage and Reconstruction Funds, and approximately 6,000 workers will be faced with the task of finding new jobs which do not exist within the Island. Added to this, a large number of young boys over the school-leaving age cannot find work. One way of alleviating this situation is the creation of more light industry, but this is not feasible until there is more water and electric power. Emigration is the other outlet for the surplus population. Australia has already contributed £2 million in assisted passages for migrants since 1947, and this year the United Kingdom has contributed £200,000 to help emigration, and will release the same amount each year for the next three years. This grant was made in response to a request from Malta. Since 1947 over 40,000 Maltese have emigrated to Australia, Canada, the United States, and Britain. This figure, though impressive, barely keeps pace with the annual population increase of 8,000. If the present standard of living, the best ever known in Malta, is to be maintained, the population must be reduced to 250,000.

ɔalth standards demanded by the authorities in the Do-
ountries are extremely high. A whole family of ten or
ay, for example, fail to emigrate because one member
om heart disease. But once settled, the proportion of
migrants is extremely small, and the contented reports
who have found happiness and prosperity all help to
numbers of those leaving their homeland.
scovery of oil in sufficient quantities to warrant com-
xploitation would, of course, provide a solution to all
iculties. Attention has been given to this, and after long
ɪns an exploration licence was granted ın July by the
ɔvernment to the D'Arcy Exploration Company, a sub-
Anglo-Iranian. Should the survey be favourable, a pros-
nd finally a drilling licence would be applied for. Should
nd in large quantities, the granting of the oil concession
able company will be recorded as one of the outstanding
ents of Dr Borg Olivier's Coalition Government, effected,
e face of much short-sighted local opposition.
ıer potential source of revenue is the tourist trade. Here
pital outlay is needed which ıs far beyond the local purse.
rsy rages locally on several points. A number of business
ld like to see Malta turned into a tourist resort similar to
ch Riviera, but the idea has not been generally well re-
he conversion would be costly, and would probably ex-
much of Malta's quiet charm. Malta has much to offer,
ties must improve before the Island will get tourists in
numbers to be of real value to the exchequer. Few can
attractions: the ancient ruins, the relics of Rome, the
ces, the forts scarred by centuries of war, and the treasures
brought by the Knights of St John, all these cannot fail
t the most ınsensitive tourist. Coupled with a much
ımmer climate and sea-bathing from the rocky bays,
ıo reason why Malta should not attract a considerable
ade. But the enchantment fades ıf the hotel food is un-
e bath-water fails to run, and the unmetered taxis over-
ere there is need for improvement. British Government
ment is needed, but, up to date, airline restrictions im-
the United Kingdom to protect British nationalized air-
e merely succeeded in robbing the Island of potential

tuation draws attention to the question of civil aviation,

a 'reserved matter' that has been badly neglected. Malta has no civil airport, and is forced to share the R.A.F. Luqa aerodrome. With the ever-increasing volume of traffic, both civil and military, an airport is an urgent need. At present there is not even sufficient parking space for aeroplanes. The many thousands who pass through the corrugated iron huts at the airport each year cannot fail to receive a bad impression, and for those arriving it is a sorry welcome.

Despite these pressing problems, the Maltese still have their heads above water. There is no necessity for the situation to deteriorate if prompt action is taken. At present many people among both the British and Maltese communities tend to place all the blame for a sluggish administration on the Coalition Government. But there is no doubt that where there is unwillingness to co-operate it is not confined to the Malta side of the dyarchy.

But if Malta is granted the larger measure of self-government for which her politicians are agitating, it is clear that the Island must have, to guide her, statesmen who can look beyond the perimeters of their village squares and domestic rivalries, and fit their troubles into the pattern of the world in which the Island has been fated to play an important part. Those who govern with fuller power than they now enjoy will have to assume their share of the burdens of international as well as national affairs, and plan Malta's welfare on this basis. This is no easy task, and one that demands a greater degree of political maturity than Malta has yet shown herself capable of sustaining since the granting of the 1947 Constitution.

E. M. L. B.

ERRATUM

In the October issue of *The World Today* (vol. 10, no. 10), p. 440, line 8 the word 'subsequently' should be deleted, and footnote 2 should read 'Cf. in particular, before and after the publication of the article in *Kommunist*, *Komsomolskaya Pravda*' etc.

PRINTED IN GREAT BRITAIN AT THE BROADWATER PRESS, WELWYN GARDEN CITY, HERTFORDSHIRE

THE WORLD TODAY

***Volume* 10 *No.* 12 *December* 1954**

*

Notes of the Month

e Uganda Settlement

Now that the terms of Sir Keith Hancock's report are published
a White Paper (Cmd. 9320), it will be seen that he has shown
:at ingenuity in integrating the forms of an African monarchy
:h those of a British Protectorate.

The Constitutional Committee, predominantly African, must
ve behaved with admirable good sense, and the Great Lukiko
e traditional Parliament of Buganda) has shown a restraint and
;nity not always equalled by European Assemblies. Two mis-
tunes have marred the proceedings which, a few weeks ago,
:med likely to restore harmony between the people of Buganda
d the Government of the Protectorate.

Perhaps it was inevitable that the High Court Judgement on the
)priety of the Governor's action in removing the Kabaka should
ve been misunderstood; and it may have been too nice a point to
)lain to any crowd of patriots that if he had acted under Clause
) of the Uganda Agreement, instead of under Clause (6), the
al proprieties would have been observed but the Agreement
:lf abrogated. Regrettably, the outburst of misinformed rejoicing
en the Governor was shown to have slipped-up on a technicality
s followed by hostile demonstrations against him when the
ıstitutional reforms were announced. Responsible leaders in the
kiko were not misled and it seems that they have repudiated the
ıaviour of the mob.

The committee which met under Sir Keith Hancock's guidance
ıduced an agreed report now known as the Namirembe Agree-
nt which her Majesty's Government approved and recommend-
to the Great Lukiko, with the decision that 'subject to certain
ıditions and after a suitable interval' the Lukiko shall be given
: opportunity to decide whether to recall Mutesa II, or to elect a

new Kabaka, as a constitutional monarch. The offer remains open until 31 March next, and the suggested period of delay while the new Constitution is put into working order is nine months from the day of acceptance. Some hope is held out that this interval may be shortened if all goes well.

The opening clauses of the Namirembe Agreement state plainly that Buganda is to remain an integral part of the Uganda Protectorate, and as plainly that she is to retain her historic monarchy. The agreement proceeds with the unusual and difficult task of prescribing rules for modern constitutional kingship. 'The conduct of the affairs of the Kabaka's Government shall be the responsibility of Ministers' but the constitutional reforms are to be consistent with 'the proper interests and dignity of the Royal House'. The Ministers are to be 'legally and politically responsible' for every act authorized by the Kabaka, and are removable by a vote of no confidence given in the Lukiko, with fourteen days' notice. In the first instance the Katikiro (Prime Minister) is to be chosen by a secret ballot in the Lukiko, and he is to select his Cabinet of five Ministers after consultation with the Governor of the Protectorate. No change is proposed at present in the composition of the Lukiko which already has an elective majority. A residual power to dismiss the Ministry in case it should reject 'formal advice given to it by the Governor in Council, thereby prejudicing peace, order, or good government', is reserved to the Governor of the Protectorate.

The greater part of the Namirembe Agreement consists of provisions for reforming the administration of Buganda in the sense of relating its obsolescent feudal system to the requirements of modern local government. The authority of the chiefs is by no means weakened, and a number of branches of administration which have been already transferred from the Protectorate to the Kingdom of Buganda are now to be assisted by consultative committees including representatives of the Lukiko. An interesting development is the creation of an independent Buganda Appointments Board with authority over admissions to the civil service.

The White Paper also includes a statement by Sir Andrew Cohen announcing consequential changes in the Government of the Protectorate. He repeats the assurance of the Secretary of State (House of Commons, 23 February 1954) that it is the intention of the Government to 'build the Protectorate into a self-governing State' whose government will be 'mainly in the hands of

Africans'; and he again assures the people of Buganda that there is no intention of 'raising the issue of East African Federation at present'. Meanwhile, a ministerial system is to be introduced by admitting new members, five of them Africans, to the Executive Council, and by giving certain members the status of Ministers. The elective element in the Legislative Council is to be increased by the allotment of two additional representatives to Buganda, provided that the Lukiko agrees to participate.

Trouble in Algeria

ALTHOUGH accustomed in recent years to unwelcome news from their North African protectorates, the French people were shocked at the sudden flare-up of civil disturbances in Algeria last month. The three *départements* of Northern Algeria, as well as the southern Algerian territories, occupy a special position in the French empire: they are a part of metropolitan France and the French Ministry of the Interior is responsible for most branches of their administration. All Algerians are French nationals; therefore civil revolt must legally and morally be deemed to be treason.

Algeria, in fact, is as French as a hundred and twenty years of intensive colonization and a French population of nearly a million could make it. And yet it belongs, with its seven million Arabic and Berber speaking Muslims, to the great Islamic belt which extends across two continents from West Africa to Indonesia. Lying between Morocco and Tunisia, Algeria could not hope to stay out of the current of Arab nationalism that circulates so strongly through North Africa and the Middle East.

With some relief it was found that the attacks on isolated farmsteads, on watchmen, and on vehicles, the burning of ricks, cutting of telephone wires, blocking of roads and railway lines, and so on, were the work of trained bands of terrorists who had operated right across the country from the Tunisian border to Oran between 1 a.m. and dawn on the morning of Monday, 1 November, and that these actions, which caught the authorities completely unawares, failed to elicit any response from the population and nowhere led to spontaneous risings. There remained the question which of the nationalist organizations inside or outside the frontiers was responsible for the plot.

Nationalism is represented in Algeria by two parties: the *Union du Manifeste Algérien* (U.D.M.A.) of Ferhat Abbas, a realistic and strictly Algerian political group; and the *Mouvement pour le*

Triomphe des Libertés Démocratiques (M.T.L.D.) of Messali Hadj, a Pan-Arab and Pan-Islamic movement, in close touch with the Maghreb Liberation Committee of Cairo, and seeking mass support. The M.T.L.D. split this summer through the secession of a wing which sought to develop a programme of practical aims and believed that co-operation with the French would eventually become possible. A third group, also split off from the M.T.L.D., has now revealed itself: the *Front de Libération Nationale*, which during the night of 1 November distributed cyclostyled pamphlets explaining that 'a team of young and conscientious activists, independent of the two clans struggling for power and feeling the weight of their responsibilities', had decided to steer the national movement out of the backwater into which 'personal rivalries and conflicting interests' had driven it, and lead it in a real revolutionary war side by side with their Moroccan and Tunisian brothers.

The only region of Algeria where any fighting between terrorist and Government forces developed is the massif of the Aurès mountains between Biskra and the Tunisian border. Everywhere else the terrorists disappeared or were rounded up, often with the help of local inhabitants. The action in the Aurès was fierce from the beginning: a French schoolmaster and a Muslim caid, picked out from among a crowd of coach passengers, were shot and killed on the first day, and considerable rebel forces succeeded in occupying some villages and small towns for one or several days. These forces turned out to be organized *fellagha*, equipped and to some extent uniformed in the same way as those operating in Tunisia.

The *fellagha*, or outlaws, who began operations in western Tunisia earlier this year, allegedly receive their training in camps situated in Libya where they are issued with arms and rudimentary uniforms and whence they are said to go in small formations to the areas chosen by their leaders as battlegrounds for guerrilla warfare. They appear to be recruiting local volunteers by pressure or persuasion, doubtless helped this summer by the drought and the poor harvest in the uplands of most of North Africa. The vigorous and enthusiastic support they get from the Maghreb Liberation Committee over Radio Cairo (now being relayed by Radio Budapest) which addresses them as the 'Maghreb Army of Liberation', and the delighted applause from the same quarter that greeted the Algerian acts of violence on 1 November, make it seem probable, if not certain, that the direction of their activities and the means of carrying them out lie in the hands of the Cairo politicians who are

closely allied with the Arab League, rather than with the Nationalist leaders in Algeria and Tunisia.

The question of the *fellagha* has within a few months assumed large proportions and has become a factor in international politics. Already the Tunisian Government, engaged in delicate negotiations with the French Cabinet, has not been permitted by the Néo-Destour (whose General Secretary, Salah ben Youssef, resides in Cairo) to disavow the 'Army of Liberation', which is likely to figure prominently in the debates of the U.N. General Assembly this month. It is the sharpest weapon the Cairo Committee appears to have so far employed in its enterprise of trying to detach French North Africa from its European moorings and draw it into the power complex of the Middle East.

The Sudanese Prime Minister in London

CHANGES in the Sudan since the Elections have been less dramatic than was then expected, and apart from the outburst of rioting on 1 March occasioned by the visit of the Egyptian President, General Nagib, the administration has functioned smoothly. The recent visit of the first Sudanese Prime Minister, Sayed Ismail El Azhari, to London has done much to allay the fears of those who expected a speedy collapse of the economy or an inevitable progress towards annexation by Egypt.

Sayed Ismail, whose grandfather was Mufti of the Sudan, made a favourable impression on all who met him for the first time. He is a true Sudanese from El Obeid in Kordofan Province which is the centre of the Ismaili *tariqa*, and his position is thereby strengthened, since he is neither a Khatmi nor a Mahdist. In his statements in London he emphasized that he was the head of a transitional Government, committed to carrying out to the letter the Anglo-Egyptian Agreement of 12 February 1953, including the Sudanization of all expatriate posts which might affect the free and neutral atmosphere required for the next stage, that of self-determination. He made it clear that even on the closest timetable the sequence could not be completed until 1957, and he also indicated that the Nationalist Unity Party, or N.U.P., which included several groups or parties with diverse ideas, had not yet considered in detail what form of link with Egypt they would desire.

The elimination of British elements from the Sudan Defence Force and from the Police has already been completed, and the Sudanization of the administrative service will have been com-

pleted by the end of December 1954. The Prime Minister made no secret of the serious problem which faced his Government in January 1955 when expatriate officials in the technical services would have the right to hand in their resignations. It is known that the Sudanization Committee has gone well beyond the requirements of the Agreement in its recommendations for the elimination of British officials from the technical departments, and it will not be surprising if the great majority prefer to resign rather than to await dismissal. Efforts are being made to recruit replacements from continental countries, but the Prime Minister admitted that these could not be expected to adapt themselves quickly to the language and ways of the Sudan as the British had done.

There have already been stirrings of discontent in the South, but the Prime Minister was confident that his recent tour had allayed some of the fears of domination by the North, and he was clearly relying on the competence and good sense of the new Sudanese Governors and District Commissioners to carry out the expressed policy of racial and religious tolerance, including friendly co-operation with the various Missionary bodies engaged in education.

The major problem still remains the future relationship with Egypt, and there have been no signs of any let-up in the pressure and blandishments from that quarter, despite the repeated protests of the independent Opposition. The danger is that that useful bogey of the politicians, the struggle for freedom, may clash with genuine Egyptian emotional fears about the Nile Valley and control of the Nile waters. The agreement between Great Britain and Egypt over the Canal Zone will undoubtedly make it easier for Britain to offer disinterested counsel to both countries. The irrigation experts are fully aware that it is only by the closest co-operation that the necessary conditions can be created for the further harnessing of the Nile to the mutual benefit of both Egyptians and Sudanese. It is therefore to be hoped that the international commission which is to supervise the process of self-determination may develop into a body competent to arbitrate on the allocation of the Nile waters and to secure the co-operation of Ethiopia in respect of the Blue Nile.

The most optimistic view of the Sudan's future must take into account the prospect of lean years ahead with a contracting Budget, both by reason of the drop in world prices for cotton and because of the inevitable fall in production and quality as a result of premature Sudanization in the technical sphere.

Handing Back the Soviet Mixed Companies

EARLY in November it was announced that the Russians would give up their holdings in all joint Soviet-Hungarian companies. This development brings Soviet policy towards Hungary into line with the new policy, already put into effect in relation to Rumania, Bulgaria, and China, of relinquishing Soviet holdings in certain joint stock companies set up in these countries. It follows the handing back to Eastern Germany of thirty-three purely Soviet companies (S.A.G.s) from 1 January 1954.

Joint stock companies were set up in Hungary, Rumania, and Bulgaria in 1945, and in China in 1950 and 1951, in branches of heavy industry and transport such as oil extraction and refining, shipbuilding, and civil aviation. Fifty per cent of the stock in each company was subscribed by the U.S.S.R., which thereby enjoyed a prior claim on half of its output. In ex-enemy countries the Soviet contribution consisted of former Axis and other enemy assets transferred on the basis of a liberal interpretation of the Potsdam Agreement and arbitrarily valued, and of other reparations and requisitions.

Joint managements, in theory, were appointed and many Soviet specialists and technicians held posts. The companies were privileged in payment of taxes and in supplies of labour and materials, and possessed an assured market. Large investments were made in them both by Russia and by the Satellites concerned. In Rumania, where sixteen companies were set up, an oil-refining industry was established and the output of oil was sharply increased. Many companies took over subsidiaries, and in some cases gained a virtual monopoly. The withdrawal of their privileges and of Soviet personnel is liable to lead, as West German reports say it has already done in Eastern Germany, to a sharp drop in efficiency.

The communiqués are not enlightening on the terms of the transfers. The value of the Soviet shares are to be compensated 'on favourable terms, by instalment payments over a number of years', or in the case of China by 'deliveries to the Soviet Union of goods which form part of the usual exports of the Chinese People's Republic'. As neither the value of these instalments, nor the previous prices or terms of delivery, have been published it is impossible to assess whether the new arrangement is in fact more favourable to the Satellites than the old. But gentler treatment to Eastern Germany and Soviet political concessions to China suggest that it will not be more onerous. Rumania may have struck a

worse bargain in view of the devaluation last February of the l
(in which the Soviet share was valued), in relation to the rubl
although this change may of course have been taken into accour
in fixing the amount of compensation.

By substituting instalment payments for perpetual deliveries th
Soviet Union has at least made no economic concession applyin
to the near future. The principle of instalments payments fc
deliveries of Soviet industrial equipment to under-develope
countries, which was enunciated by Kumykin to the 18th Sessio
of the United Nations Economic and Social Council, has recentl
been reflected in the Soviet offer to build and equip for India, o
very favourable terms, a steel plant of 500,000 tons annu
capacity. The U.S.S.R. is perhaps feeling its way towards a mor
flexible policy in its foreign investment, which has hitherto bee
confined almost exclusively to countries in the Soviet orbit.

The Soviet Union has retained its shares in four Rumania
companies, including the vitally important extraction of oil, in th
mining of Bulgarian ores and metals, and throughout the orbit i
the mining of uranium (although it has given up shares in
'company for the mining of non-ferrous and rare metals' i
Sinkiang). Only in the case of Hungary, with whom negotiation
apparently took longest, will the U.S.S.R. give up its shares in a
companies jointly owned by the two parties, presumably a
uranium is here not involved. The transfer of Soviet shares fror
Hungarian bauxite and aluminium, in contrast to Rumanian o
and to uranium, is unexpected, but may indicate that the Sovie
Union, although still relying heavily on Hungarian bauxite, ha
built up a substantial stockpile at home. In a speech a year ag
Mikoyan, the Minister of Trade, declared that the Soviet Unio
possessed 'rich supplies' of aluminium.

The new policy falls into a pattern of conciliatory gestures mad
by the present Soviet Government, which in its internal economi
policy has combined stronger incentives with tighter supervisior
Although giving up direct control of individual factories, th
Soviet Union commands many other levers of influence over th
Satellite economies, which are indeed likely to be more closel
aligned in future by means of synchronized Five-Year Plans. Th
U.S.S.R., which will continue to dominate the supply to th
Satellites of many types of heavy equipment, has relinquished it
hold only after having weaned the Satellites from their tradition
trading partners.

Uncertainties in Japan

Parties and Personalities

: defeat of Japan in World War II, followed by the Occupation, ıght about the downfall of the quasi-totalitarian political struc- which had reached its apogee under General Tojo. Political ies once more took shape, the chief among them being the to (Liberals), Minshuto (Democrats), and Shakaito (Socialists). Communists, also, lost no time in taking advantage of their dom to organize and of the tolerance, if not favour, with which were regarded in the early days of the Occupation. Then e the replacement of the old Meiji Constitution of 1889 by present one, which came into force on 3 May 1947. As is now known, this Constitution was written by the Government ion of SCAP, after Japanese attempts at constitutional revision failed to satisfy General MacArthur. It was in reality forced n the Japanese Government and Diet against their will, and, cially since the ending of the Occupation, has been stigmatized ıe 'American document'. Nevertheless, together with the aboli- of Japan's armed forces, the break-up of the *Zaibatsu*, and the kening of the bureaucracy, it was an attempt to clear the decks the establishment of effective Parliamentary government in ın, something which she had never fully enjoyed before. The stitution did three main things: it vested sovereignty in the ɔle and stripped the Emperor of his ostensibly autocratic ers; it established a bicameral legislature, elected by adult : and female suffrage; and it set up a civilian Cabinet, headed ı Prime Minister chosen from and completely responsible to Diet, but free from all other control. Thus, so far as constitu- -making and ancillary legislation could ensure such a develop- ıt, the way was opened for the furthering of constitutional ıocracy in Japan.

ut, for a variety of reasons, this has happened only to a limited ·ee. In the first place, Japanese society has never favoured the rgence of a dominant single personality, indeed one of the ;est obstacles to any such development is popular antagonism ny individual who seeks to establish himself as a dictator; thus ıeral Tojo incurred resentment on this score, and Mr Yoshida, tly or wrongly, has been assailed as aiming at dictatorial ·ers. Indeed, throughout much of Japanese history, policy-

making has usually been a matter of group decision by some nominally subordinate body, arrived at by the adoption of a formula, often a compromise between conflicting views which all can accept, and then usually ratified by the nominal superior. Thus the idea, enshrined in the new Constitution, of a Prime Minister who is the effective party leader, and head of the administration, instead of a mere *primus inter pares*, if that, is something alien to Japanese tradition.

Secondly, Japanese society, while not divided into rigid castes, has never been equalitarian. There is, as might be expected from the thousand years of feudalism in Japan, a carry-over of ideas derived from the old relationship of lord and vassal, even though Japanese institutions in 1945 had long ceased to be outwardly feudal. But the patron-client or *oyabun-kobun* relationship permeated all aspects of Japanese life. Thus the Japanese business man, or politician, or military man, of prominence had his following of supporters, whose careers he in turn furthered. Hence the cliques and factions so prominent in the Japanese political, industrial, and military worlds. Hence also the esprit-de-corps of the employees of particular ministries, or of such organizations as the South Manchuria Railway Company, or of the great *Zaibatsu* houses. The recent dispute between the president of the Omi Silk Reeling Company and his employees provides a case in point. Mr Natsukawa thought it quite right and proper that his workers should take an oath of loyalty to the Company, sing a Company song, and submit to his direction of their private lives. What is significant about this is not that he had eventually to give way, but the obvious reluctance of the Government to interfere in the dispute, despite press urgings to do so, and the existence of SCAP-inspired labour legislation. These things do change, but they change slowly.

Another factor to be borne in mind is the effect of the Occupation itself. This was prolonged, through no fault of General MacArthur or of the American Government, until the entry into force of the Treaty of San Francisco in 1952. Thus for nearly seven years Japan, while possessing the outward forms of self-government, remained in fact under Occupation tutelage. What was done by the Japanese Government and Diet was done either as a result of a 'Scapin', or directive from Occupation headquarters, or of some less formal indication of the will of SCAP. This was not, and could not be, a training in democracy, but rather a perpetuation

of authoritarianism. To the Japanese official or Diet member it appeared that one set of people had been 'purged' from political life and another set put in their place. They might be purged too if they displeased SCAP. So their first thought was to ensure beforehand that anything they said or did would not arouse such disfavour. It was not the desire of SCAP to promote such habits of dependence, but it was perhaps an unavoidable development in the circumstances. This tended to lessen the authority and influence of both the Government and the Diet, since the real situation was a matter of general knowledge in Japan. Nor has this situation wholly ended with the termination of the Occupation. American troops remain in Japan under the terms of the Security Treaty of 1952, and Japan, politically and economically, continues to be largely dependent upon the United States. Has Japan then, acquired real independence? Many Japanese, quite apart from the Communists and fellow-travellers, would deny that she has done so, and assert, justifiably or not, that the voice may be that of Tokyo but the will is that of Washington. Resentment at this real or fancied state of affairs had much to do with the vociferous opposition to Mr Yoshida's journey abroad.

All this has had unfortunate results upon Japanese political life. The Constitution of 1947 provided that the Prime Minister should be elected by the Diet and that he should select at least a half of his Cabinet from the members of the Diet. The intent, in this departure from the American practice and approximation to that of the British, was that the Prime Minister and his Cabinet should be drawn from the majority party in the Diet. With freedom from the crippling external influences of pre-surrender days, it was hoped that the Diet would gain in prestige and that coherent political parties, divided on questions of principle, would emerge. But this has happened only to a limited degree. The Japanese political parties, whether Liberal, Democrat, Progressive, or Socialist, are formed by an association of loose groupings of prominent politicians, each with his personal clientele of junior M.P.s and his own financial and business—or, in the case of the Socialists, trade union—connections. Moreover, with the exception of Mr Yoshida, the nominal president of a party is often less influential than are its backstage managers. Thus party loyalty comes second to personal loyalties, and all the major parties have been racked by internal feuds and secessions which have occasionally led to disbandment and reformation under a new name. In addition to

the major parties there are a number of minor 'splinte
and also numerous independent members of the Diet—
have been elected on account of their local influence an
many cases are ready to sell their vote to the highest bi
this has meant a considerable degree of political instabili

During 1946–9 Japan had a series of weak and sh
administrations. The first three were coalition Governme
of Mr Yoshida (Liberal and Progressive) during 1946 to M
that of Mr Katayama (Socialist, Democratic, and Peo
operative Parties) from May 1947 to January 1948; and t
Ashida (Democratic and Socialist Parties) from January t
1948. All were faction-ridden and quite unable to cope wit
mounting economic problems. Then followed the minorit
of Mr Yoshida, which was at first expected to be onl
'caretaker' Government. But Mr Yoshida, who displaye
and resolution in putting through a series of deflationary
held elections to the House of Representatives in Janu
and scored a resounding victory. The Liberals increa
membership from 152 to 264 seats, the Democrats fell fr
68, and the Socialists from 111 to 49. The Liberal prepo
was subsequently further increased by secessions from th
crats, until their total strength rose to 285 members. Mr
could thus command a majority in the Lower House
members). He was consequently able to steer Japan thr
difficult period marked by the Korean War, the endir
Occupation, and the adoption of the Treaty of Peace.

Mr Yoshida had been a career diplomat, not a pro
politician; he had once been Ambassador to the Court of
He had thrown in his lot with the Liberal Party which in
presided over by Mr Hatoyama. Mr Hatoyama would hav
Prime Minister in May 1946 had it not been discove
opportunely for his rivals, that, some years before the wa
written a book in which he had spoken favourably of H
Mussolini. He was promptly purged from political life b
After several other Liberal leaders had been approached
declined, Mr Yoshida agreed to accept the Party Presid
the Premiership. It was said at the time that, through
offices of a mutual friend, Mr Yoshida had agreed
Hatoyama that when the latter should be 'depurged' Mr
would step down in his favour. But Mr Hatoyama wa
admitted to political life until 1951, and then suffered a

stroke which temporarily incapacitated him. After his recovery it became clear that Mr Yoshida had no intention of abdicating in his favour. The Jiyuto thus became divided into the followers of Mr Yoshida, those of Mr Hatoyama, and 'neutrals', i.e. a group ready to come down on whichever side seemed likely to win or which promised them the most profit.

Mr Yoshida has exercised to the full his constitutional powers as Prime Minister. He is often accused of being dictatorial, which means that, like Dr Adenauer in Germany, he will not brook opposition in his Cabinet, and he has made—and dismissed—a record number of Ministers. He has usually been at odds with the press, which is almost uniformly opposed to him. This, however, is no reliable index of public opinion, since it is a journalistic tradition in Japan to be 'agin the Government'. He is also often cavalier in his treatment of the Diet. But he has hitherto been able to maintain his supremacy, in part because of his political adroitness, in part because of divisions among his opponents, both within and without the Liberal Party. In October 1951 the Socialist Party, which had since its formation been tormented by quarrels between its right and left wings, definitely split over the issue of the Peace Treaty and the accompanying Security Pact with the United States. The Right wing, headed by Mr Asanuma, the Secretary-General, was willing, albeit reluctantly, to accept the Peace Treaty and Japan's alignment with the Western democracies. The Left wing, led by Mr Mosaburo Suzuki, the Chairman of the Executive Committee, insisted upon the maintenance of the previously formulated programme of no peace except a general peace (i.e. including the U.S.S.R. and Communist China), neutralism in the 'cold war', and complete disarmament. The upshot was the emergence of two rival Socialist Parties, each bitterly upbraiding the other. The recent visit to Japan of Mr Bevan and his colleagues of the British Socialist Party does not appear to have wrought any change in this respect. The two Japanese Socialist groups are also divided on internal policy. The Left wing, although deprecating methods of violence, aims at the ultimate overthrow of private capitalism and the establishment of a Socialist regime based on the primacy of industrial labour. The Right wing has been less thorough-going in its advocacy of Socialism and has throughout shown a greater readiness to co-operate with the Liberals, Democrats, and Progressives, all of whom, despite their names, are conservative parties largely representative of private business interests.

This division in the Socialist ranks operated to strengthen the preponderance of conservative elements in the Diet, but also, by removing the threat of a united opposition, left them readier to indulge in faction and disunion. In February 1952 the Democratic Party, save for a reluctant minority, dissolved itself and, with the addition of members from minor parties, a few anti-Yoshida Liberals and some erstwhile independents, re-emerged as the Kaishinto, or Progressive Party. In the following June, after considerable internal bickering, Mr Mamoru Shigemitsu, another ex-diplomat and former Ambassador to Great Britain, was chosen as President of the New Party. The objective was to set up a rival to Mr Yoshida and to endeavour to bring about his fall by securing the defection of the Hatoyama group and the discontented elements in the Jiyuto.

One bone of contention between Mr Yoshida and Mr Shigemitsu, and, indeed, between the Japanese Prime Minister and some elements in his own party, was the vexed question of rearmament. The famous Article 9 of the Constitution reads as follows:

> Aspiring sincerely to an international peace based on justice and order the Japanese people for ever renounce war as a sovereign right of the nation and the threat or use of force as means of settling international disputes.
>
> In order to accomplish the aim of the preceding paragraph, land, sea, and air forces, as well as other war potential, will never be maintained. The right of belligerency of the State will not be maintained.

Does this mean that Japan can have no armed forces even for self-defence? At first sight the answer would appear to be in the affirmative, and it seems that this was the original purpose of the Occupation, following out the precepts of the Potsdam Proclamation. Japan was never to wage war again and, to make sure of this, she was to be deprived of all means of doing so. But the Article has also been interpreted to mean that, while Japan cannot have armed forces for the purpose of settling a dispute with another State, she is not precluded from having them purely for defence against invasion or against internal upheaval inspired and fomented from abroad. General MacArthur, the reputed author of the Article, gave his blessing to this interpretation at the beginning of 1950, and it has been the line since followed by the Japanese Government. As Japanese are quick to point out, the 'reverse course', in this as in other policies, was not initiated by them after the end of the Occupation, but began under its auspices, when the

ve changed from keeping Japan down to building her up.
the National Police Reserve of 75,000 men was authorized
AP in July 1950. It was subsequently increased to 110,000
nd renamed the National Safety Force and, in 1954, was
r increased in numbers, equipped with an embryo air arm
general staff, and entrusted with the ground defence of
ido. It and its maritime fellow, the Maritime Safety Force,
w styled the National Defence Forces. Ex-officers of the old
ial Army have for some time been eligible to join these
but the recruits are volunteers and efforts to build up an
ve reserve have so far met with little success.

Left-wing Socialists have consistently denounced the forma-
this Army as unconstitutional, while at the other extreme
oshida was attacked for not coming out whole-heartedly in
of a revision of the Constitution to modify Article 9 and
uncamouflaged rearmament. In this situation Mr Yoshida,
gust 1952, determined to dissolve the House of Representa-
nd to appeal to the country. The result of the elections, which
eld in the following October, was to some degree a vindica-
f Mr Yoshida's middle-of-the-road policy. The Liberals
eturned, albeit with a reduced majority, securing 240 seats
inst the 285 they had previously held. The Progressive
ing rose from 67 to 85, but more significant was a marked
se in the Socialist representation, the Right wing of the
augmenting its strength from 30 to 57 and the Left wing from
54. This was taken to be indicative of the firm opposition
rmament on the part of a large section of the younger voters
the women.

Yoshida was again elected Prime Minister, but only at the
of concessions to Mr Hatoyama, since his majority depended
keeping the latter's following in line. After some months of
al manoeuvring another crisis arose. In February 1953 Mr
da lost his temper with a persistent Socialist interpellator
alled him a 'bakayaro'—which may be politely translated
head'. The Opposition combined with discontented mem-
f the Liberal Party to pass a motion of non-confidence against
ime Minister. But he replied, not, as they had hoped, by
ing, but by another dissolution of the Lower House. The
ned Hatoyama Liberals now openly broke with Mr Yoshida,
was in a better financial position than they were, and more-
is bold tactics were not without their appeal to the electorate.

The elections resulted in the Yoshida Liberals gaining 199 seats and the Hatoyama Liberals 35. The Progressive Party lost some ground, its representation being reduced to 76. But the Right-wing Socialists increased their representation to 66 seats and the Left-wing theirs to 72. Mr Yoshida had once more out-manoeuvred his political opponents; he was again elected Prime Minister, and in the following November an outward reconciliation took place between him and Mr Hatoyama.

Despite his victory, Mr Yoshida's position appeared to be weakening during the spring and summer of 1954. The shipping scandal, in which a number of Liberal members, including Ministers, were accused of receiving lavish entertainments and bribes from shipping companies anxious for Government subsidies; the struggle over the Bill providing for reunification of the police forces under central Government control; and the hysterical opposition to his tour abroad, all combined to add to the apparent precariousness of his position. His political opponents were emboldened to promote a movement for a new coalition party formed from Progressives and Liberals, to counter the growing threat of Socialism and neutralism. But months of discussions between Mr Shigemitsu, Mr Hatoyama, Mr Ashida, and other leading politicians in the Progressive and Liberal camps had by the end of the summer led to no decisive result, because apparently the only thing they could easily agree upon was the necessity of ousting Mr Yoshida. He has thus been able to profit by their dissensions and, should he return from his journey to Europe and America with substantial economic and financial concessions to display, he may yet be enabled to continue in power. Otherwise it appears that a coalition Government may emerge, headed initially by Mr Hatoyama, who, however, might soon give place to one of the younger and ambitious leaders, such as Mr Ogata, Mr Ikeda, or Mr Kishi.

Mr Yoshida is, in any case, an old man and cannot in the nature of things expect to hold office for very much longer. When he goes, there is a danger that the Constitutional revisionists will be given their head. They aim not only at modifying the no-war Article, but also at revising the first chapter of the Constitution in order to restore the Emperor to his former (nominal) position. The return to political life of many conservative politicians and bureaucrats purged by the Occupation has strengthened this movement. But the youth of Japan, who are genuinely happy to be free from

ption and thought control, are, for the most part, sincerely
d at present to any such return of the old order. Indeed, as
e degree occurred in England after the end of the first World
here is a sharp division and mutual lack of understanding
n the younger and older generations in Japan. Japanese
, too, are nervous lest their post-war political and legal
s be whittled away. There is thus a danger of a bitter political
cial cleavage in Japan, and of a possible Left-wing and
ist electoral victory should Mr Yoshida's leadership of the
rative elements be replaced by that of someone more tradi-
t and less cautious than he is.

e is also a deeper danger. The factions, scandals, and dis-
that have characterized the post-war history of the Diet,
lly of the Lower House, have bred disgust with Parlia-
y government.[1] This plays into the hands of totalitarian
ists, just as it did in the nineteen-thirties. At present the
of any totalitarian coup d'état is remote. The Communist
which in 1949 secured thirty-five seats in the Lower House,
meated many of the Trade Unions, and was said to have a
ng of three million, suffered a crushing setback in con-
ce of the denunciation in 1950 of its leader, Mr Nozaka, by
minform, for alleged deviationism. Mr Nozaka was com-
reluctantly to submit and to give his blessing to a policy of
e which he had previously endeavoured to curb. In con-
ce, the Party lost its representation in the Diet and was
driven underground, although it has never been formally
. It suffers also from internal divisions and financial strin-
But it remains a force to be reckoned with and it has many
hizers, especially in educational circles. At the other
e there have grown up a number of Right-wing organiza-
f neo-fascist complexion. But none has a following of any
cal significance, nor is there as yet any Army in a position
rd them moral and financial support. At present the
se 'man in the street' appears more interested in baseball,
ng, and pachinko (a pinball game of universal popularity)
politics. But Japan, which has hitherto been cushioned by
an economic aid and by the industrial boom fostered by the
War, is now entering upon a period of serious economic
ties, especially in relation to her vital export trade. If it

House of Councillors, elected for six years after the fashion of the U.S.

proves impossible to avoid large-scale unemployment and distress, of which there are some signs already, social unrest will be the inevitable consequence. This would combine with the existing lack of any deep-rooted tradition of representative government, with popular disgust at the selfish rivalries of politicians, as well as with resurgent national feeling and latent anti-Americanism. The opportunities for a totalitarian coup would then be greatly enhanced, especially should a leader arise capable of arousing a mass response to a policy which combined nationalism with neutralism in the 'cold war'.

Japan today can never revert to what she was before 1945, any more than the Germany of 1919 could revert to the pre-1914 pattern. But the new Japan which will eventually take shape is still in the making, and, while there are of course marked differences, in particular the survival of the monarchy in Japan, there are also some ominous resemblances to the trend of events in Germany in the nineteen-twenties.

F. C. J.

Political Stocktaking in Italy

ITALIAN horizons have cleared in some directions during the past two months—in particular, in the direction of foreign affairs. On the international plane the establishment of Western European Union through the London and Paris agreements has created a new situation as to European defence. For Italy this puts an end to the awkward position in which she found herself in relation to E.D.C. as the only other signatory Power besides France which had not yet ratified the treaty. More important still, and nearer home, the long-standing dispute concerning Trieste, a constantly pervasive element of discord in Italian politics for the past nine years, has at last been settled. The present period of pause after achievement therefore seems to provide a suitable occasion for some stocktaking.

POST-ELECTION ALIGNMENTS AND GOVERNMENT-MAKING

During the past eighteen months a prolonged struggle has been going on in Italy to evolve a new pattern of political stability after the upheaval of the June 1953 General Election. That Election put

an end to the five-year period of undisputed Christian Democrat supremacy. Both the Christian Democrats themselves and, more especially, the other much smaller Centre parties allied to them emerged from it greatly weakened, though together still with a small majority; while both Left and Right increased their strength.[1] Subsequent attempts to revive the Centre coalition under Signor De Gasperi or Signor Piccioni foundered. The temporary expedient of a mainly Christian Democrat 'caretaker' Government under Signor Pella, maintained in face of the Trieste crisis throughout the autumn of 1953, collapsed once the outside danger receded. In January Signor Fanfani, presenting a single-party Christian Democrat Cabinet after unsuccessful attempts to form a coalition, was no more fortunate than his predecessors. It was not till 10 February 1954 that the Centre coalition was at last effectively revived under Signor Scelba, with as allies in the Government the Social Democrats and Liberals, and with the support in Parliament of the small Republican Party. Despite its narrow majority (of 16 seats in the Chamber and 13 in the Senate) the Scelba Government is still in power; and it now seems safe for at least another six months. For Signor Luigi Einaudi's seven-year term as President ends next May, and dissolution of Parliament is not permitted during the last six months of a President's term of office.

The elections of June 1953 marked the end of an era—an era in which not only was Christian Democracy supreme, but in which, too, the influence of immediate post-war alignments and states of mind still made themselves felt; and the death of Signor De Gasperi little more than a year later was to underline the passing of the epoch with which he was himself so closely identified.

The Parliament that emerged after the elections presented a very different face from that of its predecessor; and maintaining the slender Government majority in it has meant a good deal of tight-rope walking. Many stalwart Centre supporters had vanished—not only among the older Christian Democrats, but also such men as Signor Parri and Signor Calamandrei who, if their support for the Government was often tempered with lively criticism, had nevertheless provided a strong link with the most vital non-Communist forces of the Resistance period: they had virtually committed political suicide by forming a splinter party in opposition to

[1] For the distribution of seats see 'The Italian General Election and its Consequences', in *The World Today*, August 1953.

the Government's ill-fated electoral law. To the Right, on the other hand, many new faces appeared, some not seen in public positions since the days of Fascism—for example in the ranks of the neo-Fascist M.S.I. itself (now numbering 29 Deputies as compared with only 6 in the 1948–53 Parliament) we find such figures as the former Fascist propagandist Ezio Maria Gray and the ex-diplomat Filippo Anfuso.[1] The Monarchists, too, had almost trebled their numbers (40 Deputies in 1953, as against 14 in 1948), especially among landowning representatives of southern constituencies. The Left was probably the most stable as to personnel, for almost all the main figures reappeared; but their numbers had risen from 183 to 218 in the Chamber and from 72 to 87 elected seats in the Senate.[2]

The problem for the Christian Democrats, still numerically the largest party with 40 per cent of the total seats, was now to decide in what direction they should turn for allies. Should they strive to retain a coalition with the other, much smaller, Centre parties; or move to the Right, bringing in the Monarchists; or to the Left, accepting the overtures of Signor Nenni's Socialist Party? This was not just a question of simple mathematics, of manoeuvring to find the alliance that could bring the greatest gain—though the margin for a majority was inevitably so narrow, whatever the combination, that this had to be taken into consideration too. But the real problem was to find a combination which could both work in harmony and command sufficient parliamentary support to carry on. In fact, precisely that situation of stalemate seemed to have arisen which the electoral law of 1953, misconceived though it was, had been planned to avoid.

In the first unsuccessful efforts to revive the Centre coalition last year, the main technical obstacles to collaboration seemed to arise from the Social Democrats who, with their emphasis on social reforms, hankered after a Left-Centre coalition, bringing in the Nenni Socialists. But in reality the greatest difficulties lay among the Christian Democrats themselves. Though no longer the vast heterogeneous party of 1948, they still represented widely differing elements: the centre group around Signor De Gasperi (who be-

[1] It should be recalled that whereas in the 1948 elections those formerly closely associated with Fascism were debarred from voting or standing for election, in 1953 this ban no longer applied.

[2] The 1948 Senate included over a hundred Senators appointed 'by right' on a basis of pre-Fascist parliamentary service or anti-Fascist record, of whom 45 were of the Left. It has not yet been decided whether this practice is to be continued.

the party Secretary in September 1953) still put its faith in a
d of the four-party coalition, but on the Right men associated
propertied and industrial interests, such as Signor Togni,
d towards the Monarchists as allies, while Signor Gronchi,
resident of the Chamber, fought something of a lone battle in
forts to find sufficient common ground for an attempt to
nd to Signor Nenni's overtures for an 'apertura a sinistra'.
hough Gronchi evoked little response among the Christian
ocrats for such a step—the more so as the unlikelihood of
detaching Signor Nenni's Socialists from their Communist
became increasingly apparent—yet another kind of ferment
going on among the Left-wing members of the party, led by
or Fanfani, formerly Minister of Agriculture and later
ster of the Interior under Signor Pella, who advocated a more
ve and progressive approach towards the country's social
ems. This Left-wing grouping had emerged considerably
gthened from the June 1953 elections, a position it further
lidated at the Christian Democrat Party Congress in Naples
ne 1954, when it captured two-thirds of the seats on the
torate besides securing the election of its leader, Signor
ani, as Party Secretary on Signor De Gasperi's resignation.
latter then became the party's President, but held that office
for the two months till his death. The removal of his guiding
has certainly not minimized the tension existing between the
ent forces within his party.

the last months of 1953, under the Pella Government, the
wing of the Christian Democrats appeared to be gaining
nd. Circumstances favoured them, for the strong line adopted
gnor Pella during the Trieste crisis was in tune with the wave
tionalism which swept the country at that time, and was wel-
d in particular by the Monarchists, who grew gradually
r to the Government and believed they saw an increasing
ce of being asked to collaborate in it. It was in part a revulsion
n the Christian Democrat party against this Rightward trend
brought Signor Pella's Government to an end. The pendulum
swung in the other direction when Signor Fanfani, the leader
e Christian Democrat Left, was asked to form a Government.
he failure of his experiment in single-party Cabinet-making
t convincingly brought home to the Christian Democrats the
hat they could not now hope to govern alone. Perhaps the

luced a more sober realism among all the Centre parties. The Social Democrats' demands were now less intransigent, and their agreement to collaborate paved the way for Signor Scelba's formation on 10 February of a coalition Government pledged, in particular, to tackle the country's social and economic problems.

Signor Scelba's Government got off to a good start. His Cabinet, shorn of some of the more controversial Christian Democrat figures of the past, was strengthened on the side of social reform by the inclusion of two prominent Social Democrats, Roberto Tremelloni and Ezio Vigorelli, who had already been closely associated with moves for social improvement through their recent chairmanships, respectively, of the Parliamentary Enquiries on Unemployment and on Poverty. The secular democratic parties also viewed with satisfaction the passing of the Education Ministry from Christian Democrat hands into those of a highly suitably qualified Liberal, Professor Gaetano Martino. The Government's programme was widely acclaimed, with its emphasis on the intention to tackle speedily some of the most urgent social problems such as unemployment, housing, social insurance, and school building, while continuing the land reform policy and intensifying measures for Southern development.

But it ran into difficulties almost immediately. It was inauspicious enough that the very day before the Government's formation the Sicilian bandit Gaspare Pisciotta, lieutenant of the notorious Giuliano captured and killed in 1950, should have mysteriously died in prison near Palermo. This alone was enough for the Communists to recall that Scelba, himself a Sicilian, had been Minister of the Interior at the time of Giuliano's death, the circumstances of which had never been fully explained. This damp squib would, however, probably have fizzled out in any case: the story was four years old and inextricably wrapped up in the convolutions of Sicilian bandit intrigues. What was much more serious was the emergence of the Wilma Montesi scandal, rumblings of which had been heard in the background throughout the winter, and which now burst into the full blaze of publicity only a few days after the Scelba Government had received a vote of confidence in Parliament.

This is not the place to enter into the details of this highly complicated affair, which for the past nine months has filled thousands of columns of Italian newsprint, and about which even foreign

judice, and it must suffice here to recall that accusations concerning the unexplained death of this young Roman girl culminated last September in the arrest of Piero Piccioni, the son of the Foreign Minister, while Left-wing propaganda did not hesitate to suggest that some other prominent Christian Democrats had been familiar with the circles in which Marchese Ugo Montagna, the 'evil genius' of the affair, moved.

Many of these haphazard accusations could be refuted out of hand; and there has never been any suggestion that the Foreign Minister, Signor Attilio Piccioni, was himself in any way personally involved. He resigned before his son's arrest and the Foreign Ministry passed to Signor Martino—thus bringing to a premature close, incidentally, secular rejoicings over the new era of 'non-clerical' conduct of education. But to the public mind, and in particular, of course, to the Left, the whole circumstances of the case appeared to suggest inadequate investigation by the police in the first instance, followed by laxity and a general desire to hush things up. The chief of the police was dismissed, and the Government set on foot an inquiry into the more than dubious affairs of Marchese Montagna. But it was widely implied—again predominantly, though not exclusively, by the Left—that the whole scandal was typical of a corrupt atmosphere in high places; and throughout its ten months of existence the Scelba Government has had to battle against accusations of this kind.

In the circumstances it says much for the Government's staying power and integrity that it survived—and something too, perhaps, for its original claim that it more nearly corresponded to the post-June 1953 will of the people than any other combination hitherto found. It has had to weather other storms as well. Scandals on the Montesi-Montagna scale are not likely to blow up more than once in a generation (the extent of its repercussions have been likened to those of the Dreyfus case). But other and more permanent problems have beset the Scelba Government's path. If the Montesi affair was, for the Communists, an unhoped-for stroke of good fortune, they might have appeared, after the 1953 elections, to be already in a strong enough position without it. It is worth examining in some detail what that position amounts to.

THE LEFT AND THE SOUTHERN ELECTORATE

The combined Communist and Socialist vote increased by over 1,400,000 between 1948 and 1953. But the rate of advance varied

considerably in the different regions of Italy. An examination c post-war election results shows that in the North and Centre c Italy the Left vote reached its highest point as far back as 1946; i 1948 it dropped by about 1½ million votes, and though it recovere some 600,000 in 1953, it still remained more than 900,000 vote below the 1946 figure. In fact, as some observers have suggested, it seems possible that in these more highly developed regions c Italy the Left may have reached its limits of expansion, and th main likelihood of change may now lie in a transfer of votes fror the Socialists to the Communists.

In the South, on the other hand, the picture is very differen Here, in the seven years 1946–53, the Left vote increased by nearl a million, rising from 21·75 to 30·21 per cent of the total Souther electorate. Since the Socialist vote in the South, never very stron; appears to have remained static at around 12·5 per cent, the lion share of the advance is obviously due to the Communists. It i interesting to note that while the main advance took place in tw big jumps, between 1946–8 and between 1948 and the administra tive elections of 1952, the increase between 1952 and 1953 was good deal smaller, and could in any case be mainly accounted fc by the return to the Left parties of votes given to independer candidates in the local elections.

Startling though these figures may appear, there is, in a sens nothing particularly surprising about them to those familiar wit trends in Southern Italy since the war. It has long been realize that the Italian Communists now regard the South as their ma field for expansion; they initiated their propaganda there imme diately after the war, by demonstrating their concern for the lanc less peasants whom they encouraged to occupy land on the bi estates. In these forgotten regions they represented themselves a the great new factor, the one hope of escape from the feudal cor ditions that had shackled the peasant in the past. Their enterpris was far greater than that of any other party: in this region of isc lated villages and poor communications they penetrated to th most remote spots, organizing clubs, co-operatives, and congresse for the 'Renaissance of the Mezzogiorno'. They tackled not onl the peasants but also the discontented small bourgeoisie of the poc Southern townships. Their success, it must be confessed, is largel due to two factors: the undeniable conditions of poverty and bacl

[1] See *Geografia delle elezioni italiane dal 1946 al 1953*, by Francesco Compagr and Vittorio De Caprariis (published by the periodical *Il Mulino*, Rome, 1954

wardness which they found and which they promised to improve, and the relative failure of all the other parties to meet the challenge.

That it is only a relative failure, and perhaps one of method and time rather than of intention, can be seen when one recalls the really amazing achievements of post-war Italian Governments in the South. In this region, where it had become almost a commonplace to say that 'nothing ever got done', Signor De Gasperi's Governments from 1949 onwards not only introduced land reforms, thereby at last beginning to undermine the old quasi-feudal structure, but also set on foot a long-term plan for the systematic development of the South, giving it new roads, aqueducts, and drainage, conserving its mountainsides, forests, and river-beds, and laying the foundations for an eventual building up of Southern industry.

These are solid achievements, not mere paper plans. But they are long-term affairs, and in so vast and neglected a region will take all and more of their projected twelve years to complete. It has sometimes been asked—and not least in the United States, whence has come a good part of the funds which made such an undertaking possible—how it is that despite all the money now being poured into the South, and the material improvements already visibly taking place, the Communist advance was not more successfully checked eighteen months ago. There seem to be two short answers: the time-lag, and the human factor. The elections of June 1953 came at a time when the reforms had been under way for two to three years, but were nowhere near completion. Southerners had heard enough of the promises to put them in a state of sceptical ferment, but they had not experienced enough of the fulfilment to make them believe in it. And, on the human side, the Government had failed to provide the guidance needed to educate the peasants towards an understanding of their new situation.

Some of the mistakes made are now being realized—both technical mistakes of method, and mistakes of approach—and steps are being taken to remedy them. And there is reason for encouragement in the fact, shown by a commune-by-commune examination of the election results, that the Communist advance seems to have come nearer to being held in check in regions where the land reform is in operation than elsewhere in the South. But in the new line of approach on which the Government is now embarking it will have to reckon with strong opposition, and not from the Left alone. It must not be forgotten that if the Communists made great gains in

the South between 1948 and 1953, and have been working ever since to consolidate them, it was the Southern Right-wing vote that swayed the balance and virtually lost the Christian Democrats the 1953 elections. If only a proportion of the Southern landowners with their local following, had remained faithful to their 1948 vote for Christian Democracy, the results might have been different. But on the Right too the land reform worked against the Government, and in a very simple and obvious way: the landowner whether actually expropriated or merely fearing a threat to his privileges, transferred his vote—and that of his followers—to the Monarchists.

The impact of the war, post-war Communist propaganda, and the new interest which the Government has shown in the South of recent years have undoubtedly combined to loosen the ties between landowner, middleman, and peasant. New ideas are penetrating and weakening the old semi-feudal social structure. This does not however, by any means necessarily help the Government parties cause at the present stage. The 'clientelistico' vote, no longer securely tied to the local landowner, may well swing to the opposite extreme. The Communists, fully aware of this, have lately been turning their attention to the Right-wing electorate, stressing in their propaganda the gulf between the line of compromise adopted by the Monarchist party leaders and the radical needs of the humble Southern voter. There has even been the curious case of the local election in a small commune of the Benevento region Solopaca, where Communists and Monarchists lately stood in alliance—unsuccessfully, it is true, for the opposing list of Christian Democrats and Liberals won the election; but the hybrid combination suggested unpleasant possibilities if repeated elsewhere. Nation-wide local elections are now to be postponed till 1956, by which time the Government parties' intensified efforts in the 'depressed areas' may have borne fruit; but in the meantime the Communists have been conducting an all-out campaign in Sicily, where elections for the Regional Assembly are due early in 1955.

E.D.C. AND TRIESTE

Finally, to complete this tour of some of the Government's problems, we come to the two questions of foreign affairs which seemed almost to have become hardy perennials—Italy's relation to the E.D.C. treaty, and Trieste.

By the time the Scelba Government came to power Italy was the
ly country besides France which had not yet ratified the E.D.C.
aty. The Government was committed to a policy of speedy rati-
ation; but given its narrow parliamentary majority and the un-
npromising opposition of the Left and the M.S.I., it was hoped
secure further support for the treaty before putting it to the test.
is support could only come from the Monarchists, who, how-
er, wished to make ratification dependent on a satisfactory settle-
nt of the Trieste question. At the beginning of June some
onarchists split off from the main body to form, under the
apolitan shipowner Achille Lauro, a new party, the Partito
onarchico Popolare, which appeared more ready to give its sup-
rt to E.D.C. During the summer the relevant parliamentary
nmittees approved the ratification of the E.D.C. Bill, but the
ospect of the full debate on the Bill still hung over Parliament
ien it went into recess. The question of Italy's ratification was by
w inevitably linked with France's uncertainties, and some
lent 'Europeanists' in the country regretted that Italy had not
oided this equivocal position by ratifying earlier. Anxiety as to
 outcome of the Brussels Conference at the end of August over-
adowed Signor De Gasperi's last hours, and the death of this
eat European statesman on the morning of the conference's
ening seemed an ill omen. The French rejection of the E.D.C.
aty further alarmed its Italian supporters, but Italy warmly
lcomed the proposals of the London Conference at which her
w Foreign Minister, Signor Martino, scored a personal success.
 the subsequent Paris Conference a special agreement provided
 her inclusion in the new Western European Union, since she
d not been a signatory of the Brussels Treaty of 1948 on which
was based. The debate on ratification of the London and Paris
reements will now take place in a new atmosphere. It is expected
be held early in the New Year, before Signor Scelba's projected
it to London, at the invitation of the British Government, in
d-February.

During the London Conference the final stages were reached in
 long-drawn-out negotiations for a settlement of the Trieste
estion, and a 'memorandum of understanding' and other instru-
nts were initialled on 5 October by U.K. and U.S. represen-
ives and by the Italian and Yugoslav Ambassadors in London.
ie elimination of this nine-year-old dispute will, as Italy's
reign Minister Signor Martino has pointed out, give Italy much

greater freedom of movement and initiative. Besides the improve ment to be anticipated in her relations with Yugoslavia, it may als facilitate a rapprochement with the Balkan Alliance—though o this question Italian expressions of opinion are still cautious.

The Government obtained votes of confidence after debat both on the Trieste settlement and on Signor Piccioni's resigna tion. Since then the four coalition parties, after some soul-search ings, have reaffirmed their unity, and have announced their inter tion of pressing on towards the implementation of the social an economic reforms to which they are pledged. Despite the difficu ties which have hitherto beset the Government, something ha already been accomplished in this direction: among the mass c legislation passed last summer were provisions for an extension c social assistance benefits to fresh categories, for pensions for th blind, and for vocational training for the unemployed, an especially for young people, while further long-term housing an school-building schemes were set on foot. But these are only beginning, and the prospects of the present Government, and c the central democratic forces for which it stands, will depend to great extent on how far they can convince the country of the seriousness in pressing on with further social reforms.

M. K. G.

The West as Portrayed by Communist Propaganda

IN recent months the Soviet and satellite propaganda machine have been paying increasing attention to the theme of peaceful cc existence between East and West. A more honest presentation c conditions in the West by the Communist press and radio migh contribute to the atmosphere of international friendship which th Communist regimes profess to desire. They claim that the polic of peaceful co-existence enjoys the full support of their people and it would be logical to assume that efforts have been made t paint life in the West in colours less dismal than those applied i

past. After all, the Soviet people can hardly be expected to look
ı favour on a policy of friendship with political systems which,
ording to the tenets of Marx-Leninism and contemporary Com-
nist propaganda, base their existence on the exploitation of the
ses and on the subordination of the interests of ordinary men
women to those of the arms manufacturers and capitalist
nopolies. A study of recent Communist press and radio material,
vever, gives little indication that the policy of distortion and
-truths has been abandoned. Thus *Pravda* (18 August 1954),
ın article by Fillipov entitled 'The Masters of America', ex-
ned at great length that the Korean war had been conducted
ly to make profits for American arms manufacturers, and main-
ed that 'behind the screen of American pseudo-democracy
ts the omnipotence of a handful of magnates of monopolistic
ital who are supreme in the economic and political life of the
S.A.'.

Material from and about the West reaches the Soviet and satel-
public in the form of special articles written by Communist or
ow-travelling correspondents, factual but slanted and edited
orts of current events, and extensive, carefully selected extracts
n Western newspapers, agency reports, and speeches by
stern politicans. Among the few exceptions to this rule were
Herbert Morrison's article in *Pravda* on 28 June 1951 and the
ne paper's faithful reproduction of President Eisenhower's
ech of 16 April 1953, when he called for deeds in support of the
testations of peaceful intentions made by Stalin's successors.
Communist propaganda relies almost entirely on one-sided
orts dealing with failures and shortcomings in the West while
oring any successes that may have been achieved, so as to
ıvey a picture of extremes: a small but powerful clique repre-
ting the 'ruling circles' does its utmost to deny most of the
sical and spiritual comforts to the overwhelming majority of
people. Constant attention is drawn to what is described as the
ıggle for work, bread, and peace,[1] invariably led by the local
mmunist Party, the Communist-dominated trade unions, and a
all but steadily growing body of vociferous sympathizers known
'progressives'. This conception flows directly from orthodox
rxist theory.

For example, *Trud* (Moscow) of 1 July 1954 contains a long feature under
heading 'Bread, Work, and Peace are the Demands of Millions of Italian
lers'

After more than three decades of strenuous application and cc stant repetition there would be some justification for assuming tl the Soviet public now believes that what it reads in the papers a hears on the wireless about conditions in the West bears consid able resemblance to the true state of affairs. What is more su prising is that propaganda in the satellite countries duplicates tl of Moscow, despite the fact that people there must still retain so recollections of the truth as known to them from the past.

The reporting of events and developments abroad is always su ordinated to the current propaganda line and to the aims of Sov foreign policy. The foreign news page of *Pravda* on 4 August 19 (chosen at random) contained the following headlines: Frer Public condemns Plans for the Creation of E.D.C.; the U.S violates the Korean Truce Agreement; New Attempts of t Syngman Rhee Clique to sabotage the Korean Truce Agreeme the Provocateurs of War refuse to give up; the Austrian Gove ment makes Preparations for the Supply of Soldiers to N.A.T.(Denmark needs Trade with the U.S.S.R.; *Neues Deutschland* Secret Agreement between the U.S.A., Britain, and Denmark. T Czechoslovak *Rudé Právo* of the same day carried these headlin Terror will not prevail against the German People; India will n take part in Negotiations for a Military Pact in South-East As Attempts of U.S. Diplomacy to disturb Soviet-Finnish Relatio French Politicians support Soviet Collective Security Proposa Anglo-Egyptian Agreement—by the Grace of America; Report the Arrest of Gehlen's Agents in the German Democratic I public.

Tass, the official Soviet news agency, is the main source for called straight reports of events in all parts of the world, and releases are generally repeated by most Soviet and satellite ne papers and news bulletins. A typical example of straight report as perfected by *Tass* and accepted by the Communist press[1] provided by the *Tass* report of the U.N. Security Council sess of 20 June 1954, when the Guatemalan question was discuss After noting the 'storm of applause' with which the public gree the Guatemalan delegate, and the resulting 'irritation' of the p siding U.S. delegate, and after giving lengthy summaries of speeches made by the Guatemalan and Soviet delegates, the *T* reporter dismisses Mr Cabot Lodge's statement as follows: 'T U.S. representative said that the representative of the U.S.S

[1] *Pravda*, 21 June, *Rudé Právo* and most East European dailies, 22 June 19

intended to use the veto, and according to him that proved the existence of particular Soviet designs in the Western hemisphere. Lodge, having lost his self-control, demanded irritably that the U.S.S.R. should stay out of this Western hemisphere.'

In order to convince people behind the Iron Curtain that conditions elsewhere are even worse, and to reinforce the Marxist dogma of the inevitability of the collapse of capitalism, Communist propaganda contrasts the allegedly happy life in the countries of socialism with the 'constantly deteriorating living standard of the capitalist, colonial, and dependent countries'. At the end of last March the Polish *Zycie Warszawy*, in an article by Edmund Osmanczyk, compared the living standards of Poles and Americans: 'Poland is a country only one twenty-fifth of the size of the U.S.A., a country which has never made a penny out of war, a country which, as we all know, has had to exert every effort to earn her daily bread and rebuild her devastated industries. Our standard of life is still much below that of 47 per cent of Americans, but it is already very much above that of 27 million pariahs of the rich U.S.A. Our country, though much smaller than the U.S.A., is proving to the world at large that not war but peace, not capitalism but socialism, will make the future secure for all citizens.'

And Ďuriš, the Czechoslovak Minister of Finance, said in his widely publicized Budget speech of 9 March 1954 that 'the capitalist economy and capitalist Budgets bear the stamp of the steadily advancing crisis of capitalism. The inexorable approach of the economic crisis spells eventual economic collapse. . . The familiar tragedy of thousands of American farmers is beginning all over again—the tragedy of men doomed to ruin because there are no customers for the goods they have to offer. The purchasing power of the dollar keeps falling. The notorious capitalist custom of destroying stocks of goods will no doubt be resumed'.[1]

Comment on social conditions in the West is often linked with the current propaganda line in the international sphere. 'If the French Government would use the money spent on a single plane sent to Indo-China on housing, one hundred French families, living in unbearably sordid conditions, would be rehoused.'[2] And 'during the fifty days of the Geneva Conference, France spent one thousand million francs on the war in Indo-China. For this money a million workers could have received wage increases of

[1] *Rudé Právo*, 10 March 1954.
[2] *ibid.*, 1 June 1954.

8,300 francs per month or it would have been possible to bu 35,000 houses for families needing a roof to their heads'.[1]

In April 1954 Prague Radio broadcast a tear-jerking account the plight suffered by old people in Britain: 'You would ha thought that every seriously sick person in Britain would be a mitted to hospital, particularly as Britain's rulers continually t about building some kind of welfare State. But fine words and t harsh realities of the everyday life of old-age pensioners are entir different things.'

Particular attention is devoted to the alleged difference betwe the care lavished on children and the younger generation in t East and the neglect from which they are said to suffer in the We *Pravda* said in its leading article on International Children's D on 1 June 1954: 'In all capitalist countries the impoverishment the working class has led to a deterioration in the position children.' Material which was broadcast widely in connexion w this annual event maintained that 80 million children in capital countries suffered from cold and hunger, that in the U.S. 2 million children were without a roof to their heads, and tl 2½ million children were employed in American industry. Mc than 6 million American children could not attend schools becau the Government preferred to spend its money on armamei rather than on school buildings and the training of teachers. ' the U.S.A. each year more than 100,000 children die befc reaching their first year and most American families cannot p for medical aid for their children. In Britain, too, 140,000 childr live in squalor.'[2]

Even the most minor strikes in the Western world are noted w glee as signs of discontent and portents of economic collapse, ev though these reports may give the industrial worker behind t Iron Curtain, who has been deprived of the right to strike, cau to envy those who still retain the most powerful weapon of organized working class movement. Yet even children's pap contain long accounts of strikes in the Western world direct against 'the capitalists, who, under American pressure, are spen ing huge sums for military purposes'.[3]

Much is made of the alleged absence of civic rights in the We and even the single list elections usual in the People's Democrac are extolled as superior to the Western way of choosing betwe

[1] *Trud* (Moscow), 18 July 1954. [2] *Literaturnaya Gazeta*, 29 May 19
[3] *Scanteia Pionierului* (Rumanian youth paper), 9 December 1953.

two or more parties. A Bulgarian broadcast last December praised the last Bulgarian election when 'more than 99 per cent of the Bulgarian people voted for the Party. Such a large proportion of votes and such unanimity is, of course, impossible in any capitalist country. Elections in the U.S.A. are carried out in an atmosphere of open terror, oppression, shady deals, frauds, and falsifications designed to bring a small minority of capitalists to power. The present President of the United States was elected by only one-third of the American voters'.

Racial discrimination in the West represents a heaven-sent opportunity to the Communist propagandists, who are eager to seize on the most obscure court case involving negroes in the U.S.A. in order to make propaganda capital, regardless of the facts and legal questions involved. Exaggeration is, of course, the normal approach. Thus *Munca*, the Rumanian trade union daily, on 16 December 1953: 'In the U.S.A. a distinction is maintained between superior and inferior individuals. Among the latter are Negroes, Mexicans, Indians, Puerto Ricans, Chinese, Japanese, as well as Italians, Jews, Irishmen, and absolutely everyone not of Anglo-Saxon stock. . . On the whole more than a quarter of the population are more or less deprived of the most elementary civic rights and liberties. Nearly 5 million coloured people are kept as real slaves.'

International Women's Day, organized under the auspices of the Communist-dominated International Federation of Democratic Women, on 8 March provides Communist propaganda with an opportunity of sympathizing with the underprivileged women of the West whilst eulogizing the position of women in the East. This year President Zápotocký of Czechoslovakia asserted that the employment of women in capitalist countries represented 'the exploitation of female labour, as women's work is regarded as inferior'. The Czechoslovak press featured a speech by Dr Škoda, the Minister of Justice, who told a women's rally that in fifteen unnamed capitalist countries 'women have no political rights at all. The increased application of fascist methods in the capitalist States is sweeping away the rights and liberties of the people, thus leading to a further deterioration in the status of women. In Britain wages paid to women are only 53 per cent of those earned by men. In the U.S.A. recent legislation contains over fifty restrictions virtually depriving the majority of women of the right to vote or to take part in public administrative work'.

Greece is a favourite target: 'In Greece today 1,800,000 have enough money only for the purchase of two cups o coffee each day, while 2½ million have only enough to b packet of cheap cigarettes. Child mortality is very high; the n of homeless children has reached tremendous proportions. than 360,000 homeless children and orphans roam the stre many of them suffer from tuberculosis and other diseases. . . jet aircraft bought in the U.S.A. by Greece costs the peasantry 300 wagons of grain, i.e. food for 25,000 people 1 year.'[1]

According to Communist propaganda, America is the e ment and sublimation of all the evils of capitalism. The munists are out to prove that here, where free enterprise cl have succeeded best, the lot of the workers is worst. 'The i work rhythm, the lack of interest in protection against accid work, the increasing volume of work accidents in capitalist tries, especially in the U.S.A. . . . the constant decrease in the huge rent increases in America . . . all these lower the w living standard and raise monopolistic profits.'[2] Reviewi coming U.S. Congressional Election and the record Eisenhower Administration, *Pravda* (6 August 1954) said record of the Administration and the Republican-dor Congress does not leave the slightest doubt that their g principle was and remains: "Everything for monopolistic nothing for the workers." Nothing has been done to satisfy th urgent needs of the population. While spending millions of on the arms race, Congress has reduced the already miserly tions for education, public health, and housing. Federal allocations for the needs of education are so insignificant th scarcely cover even a slight improvement in the catastroph of the schools in only one of the forty-eight states, South lina. . . Neither Congress nor the Administration have dor thing to improve the hard lot of millions of unemployed those workers in town and country who are already experi the blows of the approaching economic crisis. At the sam the Washington ruling circles are doing all they can to g indignant voice of the workers by fanning anti-Com hysteria.'

Britain is by no means exempt, and solicitude for the

[1] 'Greece in the Vice of Militarism and Poverty', *Pravda*, 7 August 19
[2] *Scanteia* (Bucarest), 16 December 1953.

working class is often voiced. It was expected that the delegates to this year's Trade Union Congress 'would discuss the problems which deeply interest millions of British workers—problems connected with the struggle for peace and a better life. This is quite understandable. The attack on the living standard of British workers is not diminishing. Month after month prices continue to rise and the consumption of meat, sugar, and butter to fall'.[1] On 3 July *Izvestia* published an article by its correspondent Matveyev describing his visit to Glasgow, which he called 'On the Banks of the Clyde'. After having paid a respectful tribute to the home of Scotch whisky, 'Britain's main transatlantic export which brings in even more dollars than Malayan rubber', Matveyev had this to say about Glasgow itself: 'Damp, foggy air, saturated with smoke, floats above the roof tops. The narrowness of the streets and the lack of green spaces attract immediate attention. You look at the buildings and you think that the architects tried to bar the entrance of the little fresh air there is. . . Factory chimneys rise among the spires of cathedrals and churches. The latter own large areas of land in the city which they use to their advantage, reaping a particularly good harvest in the workers' districts. The people of Glasgow smile bitterly when they speak about the problem of their so-called surplus population; the city authorities never stop talking about it, but do nothing. It is generally admitted that the city today differs in no way from what it was thirty to fifty years ago, with the exception of new factories on its outskirts.'

Scotland received even worse treatment in *Izvestia* (16 July) when the miner Valigura, a member of a Soviet miners' delegation which had visited Scotland, described his impressions. According to him the average miner earned about £5. 'Scottish miners have to buy their own household coal, their tools and special clothing, and have to pay for the use of their safety lamps.' They could not go to the cinema as they could not afford the price of a ticket. There were very few cinemas in Edinburgh and in the whole Edinburgh area there was only one hospital where a miner could receive free treatment. Valigura found that 'only mine-owners have derived any benefit from coal nationalization', whereas 'the condition of miners has remained almost unchanged'. He criticized particularly the low level of mechanization in British mines. The distortions contained in this notorious article proved too much even for the skilful Communist propaganda machine. Pro-

[1] *Trud* (Soviet trade union daily), 3 July 1954.

tests from the Scottish Area of the N.U.M. must have reach Moscow, for on 19 August *Izvestia* took the unprecedented step publishing a letter correcting Valigura's impressions. Written Rossochinsky, the Chairman of the Union of Coalworkers ar himself a member of the delegation which had visited Scotland, corrected some of Valigura's most blatant misrepresentation maintaining that many Scottish miners earned £12 per week ar more, could afford to go to the pictures, and enjoyed satisfacto hospital facilities. Valigura had underestimated the extent mechanization in British mines and had misunderstood the Britis system of house purchase. His mistake could be attributed to h insufficient knowledge of English and his ignorance of Britis money. In conclusion, Rossochinsky expressed his regret at 'tl number of inaccuracies which crept into Valigura's article unii tentionally. As he speaks no English he failed to get to the root many problems'. But *Izvestia* did not explain why it had entruste the writing of the article to a man who, according to the head his own delegation, lacked the equipment which could hav enabled him to get a true picture of the Scottish mining industr The correction is, of course, to be welcomed, but there is litt hope that it can be regarded as a general precedent. The politic implications of this particular set of inaccuracies made it advisabl Its only general effect on other would-be purveyors of the trut about the West may be to make them more careful and their di tortions less obvious.

Nothing is too exotic for the attention of Communist propa ganda. Osmanczyk, the Polish journalist mentioned earlier, con tributed a feature called 'In Buchman's Circus' to the Sovi literary paper *Literaturnaya Gazeta* (15 July 1954): 'Among th many more or less artificially camouflaged American intelligenc services, the so-called Moral Rearmament organization enjoy the particular goodwill of the U.S. ruling circles. Prominer Congressmen, heads of strike-breaking organizations, the U.S intelligence service, and hired pseudo-scientists all praise it. . This religious pseudo-socialism serves the ideological safeguardin of the plans of American aggression in various parts of the world Similarly, the Kinsey Report (*Sexual Behaviour in the Huma Female*) was described by *Magyar Nemzet* (Budapest) of 20 Sep tember 1953 as characteristic of the American way of life. 'Th American entertainments industry is based in large part o adultery. . . The newspapers, radio, television, the cinema, comic

all combine to destroy the morals of young people. All emphasize that sex experience, as well as hitting fellow creatures on the jaw and using flame-throwers and napalm bombs, gives youngsters the status of grown-ups.'

The influence of American strip cartoons and comics and European opposition to them are constantly stressed. 'Indescribable adventures through five continents and on the moon, typical American robber stories, love adventures of Hollywood vamps living as queens among the savages—this constitutes literature for young people. Children are taught crime, prostitution, and racial hatred.'[1]

This then is the picture of the present and future of capitalism as presented by the Communists to their own peoples, and few would deny that anything would be preferable, even the drab lives of so many East Europeans today. It is not the purpose of this article to assess or even to discuss the veracity of the few selections from Communist press and radio material quoted above. The important fact is that they are typical of everyday practice, which paints an unrelievedly black picture of life in the West. According to their own admission, the Communists regard 'propaganda for our peace-loving foreign policy' as one of the main tasks of the Soviet press. 'The Soviet press is called upon to unmask the base plots of the imperialists and of the enemies of peace and to wage a struggle against the venal bourgeois press', proclaimed a *Pravda* editorial on 'The Militant Tasks of the Soviet Press' (5 May 1954). Objective newsgathering was not listed among the 'militant tasks'. Yet Western journalists were rebuked by *Literaturnaya Gazeta* (15 July 1954) for 'not being satisfied with objective presentations of fact. They are just not used to it, but they must distort facts and present trivialities in a sensational way. Facts are turned upside down, crocodile tears are shed over shortcomings culled from Soviet articles, the weakness of the Soviet State is proclaimed and its downfall foretold for the immediate future'. Western newspapers and journalists may not be blameless as regards their reporting of life in the East—that is hardly their fault as so few of them are permitted to move about freely and to collect uncensored news there—but there is little doubt that *Literaturnaya Gazeta*'s call for objective reporting might have been more usefully addressed to the Communist press and radio.

J. F. A. W.

[1] *Csillag* (Hungarian literary monthly), July 1953.

Goa and the Indian Union

Background of the Recent Dispute

INDIA's dispute with Portugal over the future of the Por
settlements in the sub-continent has ceased to feature on tl
pages of the world's press for the past three months. Lisbon'
matic strategy seems to have been to forestall Indian efforts
voke incidents which would be followed by 'police action to
order'; to this end world opinion was aroused against the i
resort to force in solving the dispute. These tactics paic
somely. The implied rebuke to India from the democratic
as expressed in a number of notes from Britain, the United
and other countries, did cause her some loss of face at a tim
she was flushed with the triumph of her achievements as a
national peacemaker in the Far East. The force of world opi
the matter compelled Mr Nehru to hold back the considerat
Goan forces of would-be liberators of Portuguese India w
been encouraged by his earlier speeches; as a result the en
Goa of a small handful of Goan demonstrators on 15
proved to be a complete fiasco and met with no response wit
territory. Even liberal opinion in Britain was not satisfied
reports of observers on the spot that the people of Goa wi
become citizens of India. The normally pro-Indian *News C*
considered Indian tactics too much like those of a Hit
columnist James Cameron called Nehru's beating of the bi
over Goa his stupidest political move. *The Observer* felt that
detracted from his reputation as a statesman of moderati
large vision. Mr Nehru could not have relished its compar
his claim to Goa, based on geography, with that of Malan
High Commission territories or that of Hitler to the Sudet

The storm has abated for the time being, but it is certa
India will not be satisfied with a continuance of the *status q*
will seek some other method of securing the merger of G
India. It is a matter of great satisfaction that no blood was
the planned 'liberation' campaign last August, and it is to be
that India will act in the spirit of Mr Krishna Menon's sta
that Goa is a test not so much for Portugal as for India, w
told the world that every problem can be solved by peaceful
If so, India will not encourage border incidents and infil
tactics to create a pretext for annexation under the label of

action; and Goa will enjoy a period of quiet in which her own people can decide what they want. Their decision will be based on a number of factors—historical, religious, social, and economic.

THE GOANS AND THEIR HISTORY

The inhabitants of Goa fall into two classes. In the Old Conquests which have formed a part of Overseas Portugal for 450 years, most of the people are Roman Catholics whose ancestors were converted in the early days of the Portuguese and who have been as completely Europeanized as it is possible for any Asian race to be. Catholic Goans are also a sizeable minority in the New Conquests acquired about 150 years ago. In these parts the Hindus are in the majority, while being a considerable minority in the Old Conquests. In the whole of Goa today the Hindus outnumber the Christians by a small percentage. The Old Conquests include the capital of Goa, Panjim; the ancient capital, Old Goa, with its churches—many of them in ruins; the port of Mormugao with its splendid harbour; and the districts immediately around these towns. The New Conquests are the outer fringes of Goa and on the whole are less developed and prosperous.

The Catholic community of Goa came into being soon after the Portuguese arrived to trade and preach the Gospel in the early sixteenth century. It was quite a big community when St Francis Xavier arrived in Goa to make it his base for missionary journeys further afield, but he is sometimes mistakenly credited with the earliest missionary work in Goa. In fact Goa was already a great centre of trade and religious activity when he arrived, and was described by some writers as 'the Rome of the Tropics'. The great Governor-General Alfonso Albuquerque had been a bold and progressive administrator. He demanded a high moral standard of his men and encouraged them to contract marriages with local women in preference to illicit unions. He had the courage to forbid suttee or widow burning by the Hindus, a practice the British outlawed 300 years later. He insisted on the equality of status of Goa with the European provinces of Portugal. This policy of regarding the colony as an overseas province of the mother country was persisted in down the centuries. In 1612 the 'Council of India' stated clearly: 'India and other lands overseas with the government of which this council is concerned are not distinct or separate from this Kingdom, nor do they belong to it by union, but they are members of the same kingdom as is that of Algarve or any of the

provinces of Alentejo and "Entre Douro e Minho", since they are governed by the same laws and enjoy the same privileges as those of the said Kingdom, so that he who is born and lives in Goa, in Brazil, or in Angola is as Portuguese as he who lives or is born in Lisbon'. Generations later, in 1877, we find the Calcutta daily, *The Statesman*, referring to 'the Indian colonies of Portugal, more highly privileged than those of England', as engaged in looking for new deputies to send to the Portuguese Parliament.

A HUMAN FRONTIER

This policy and the process of cultural fusion that accompanied it have led naturally to the creation of a Catholic community in Goa that is as Portuguese as the Portuguese themselves. Thus in Goa, and especially in the Old Conquests, one has the feeling of being in a little bit of the Continent of Europe transported to the East. Dr Salazar has said that, entering Goa from India, one crosses a human frontier, and many of the foreign correspondents who have been there during the recent crisis have expressed the same feeling about the Goans. It is wrong to infer, as so many Anglo-Indian writers in the past have done, that all the bearers of Portuguese names in Goa are of mixed Indian and Portuguese descent. Many do not have a drop of European blood in their veins. But all have been deeply influenced by 450 years of contact with the culture of Portugal which has left its mark on this small area as Britain could not have influenced her former Indian Empire. *The Times* Special Correspondent described the change as he entered Goa from the Western Ghats by train: 'The Goan, especially the Goan Christian, seems to belong to a different race. His features are finer and he is of more gentle aspect than the fierce martial type of the Deccan. He wears European clothes more easily, and his habits and architecture have been influenced by the West. His houses have tiled roofs and there is little of the litter—squalor is not the right word—with which the Indian peasant, oblivious to material comforts, surrounds himself.'

The same correspondent noted the absence of a colour bar and the strong bond between Portuguese and Goan of a common faith. Had he had the opportunity of moving around among the common people in their houses, he would no doubt have seen how far the social life of Goa has been influenced by the West. The Goan writer of this article may be on controversial ground if he suggests that the standard of life of the average Goan is several degrees

higher than that of his opposite number in any Hindu or Muslir community of the Indian Union, but this view is shared by a num ber of European and American writers who have been to Goa, an it is supported by a number of indisputable facts. For example, th food of the Goan is richer and more varied than that of any India community. It includes every form of meat and fish and a sub stantial element of fruit and vegetables. The Goan has a taste als for imported vintage wines and in the better-class homes you ofte find a stock of good champagne laid by for gala occasions. Not onl are European clothes worn by Goan Christians, but you will find great deal of money spent on bringing in the latest fashions fro Paris. Houses are not only well built but also well furnished b Indian standards. Money is spent on such things as music an dancing—of the Western type—that would not be thought of i the average Hindu or Muslim house in India.

Besides being a Christianized Oriental, the Goan is also a com pletely Westernized Oriental. His European standard of social li is the outward symbol of an inward state that once again is the pro duct of a long history. Besides accepting the Christian moral cod the Goan has imbibed the outlook on life of the Portuguese. It a happy and easy-going attitude which has sometimes been sligh ingly described as one long round of siesta and fiesta. Not that h cannot make good in a highly competitive field—as hundreds thousands of Goan emigrants have shown—but just because th idea of a well-bred gentleman which he has had instilled into hi involves not only satisfying the basic needs of life but also th developing of his own personality through various accomplish ments. Thus a Goan, assured of his food from the fields aroun him, will spend much time painting, playing the fiddle, singin dressing up, and going to dances and clubs. He may be a gre reader and philosopher or spend time writing prose and verse fo his own amusement. If he is not an effective figure in wor affairs, he is a more widely accomplished person than the India who is too often a man with a one-track mind.

The cultural interests of the Christian Goan are the culture Latin Europe. Rightly or wrongly—and in many respects it regrettable—the Goan knows nothing of the literary heritage India, of its music, dance, and other arts. He frankly admits his in difference to them and his interest in the, to him, more unde standable, attractive, and modern culture of the West. Nor is th Goan in Goa, with his Latin outlook, much impressed by th

infusion of English culture that he finds in his emigrant kir
from the Indian Union, Pakistan, or East Africa. He thinl
own is a broader culture. It embraces the entire heritage of
Europe. His interest in history extends to the history of the v
which is mainly the story of the Christian world. The me
through which he cultivates his mind is the language of Por
supplemented quite often by that of France.

The interchange of ideas between Goa and Portugal has re
a stage where there is complete acceptance in Portugal of the
as an equal citizen. Not only have Goans from Goa gone to F
gal and achieved positions of distinction there: they have also
sent from Portugal to other lands as the country's spoke
Often the very fact that they came from the East has been
pletely forgotten, with the result that it is not easy to ident
the Goans who have held high office in Portugal. The present
of the Lisbon School of Economics is a Goan and he has wri
leaflet in which he mentions by name a number of Goans whc
been Cabinet Ministers, diplomatic representatives, governor
in other ways prominent in Portuguese public life.

ECONOMIC FACTORS

The maintenance of a high standard of living in a small p
the Indian Peninsula which is mainly agricultural is not po
without outside support. Such support has come from the o
tunities which Goans who go abroad find for making mon
send home. There are said to be 150,000 Goans in the I
Union (more than half of them in Bombay); 30,000 in Pal
(with 10,000 of these in Karachi); 30,000 in Kenya and Ug
and about 20,000 in the Persian Gulf, with smaller commu
elsewhere. Wherever they go they are dependable and h
citizens, but they maintain their own close and exclusive
life and clubs. The majority of the poorer ones find work as se
(cooks and stewards in ships), as cooks, and as musicians in
bands. This is not surprising as they are in many ways the Fr
men of the East in their love of the arts of eating well and ente
ment. But a large number do well in the professions and ac
high places in public life. Many of these 'emigrants' are perma
ly resident in their new homes, but they keep up their coı
with Goa; others plan to return when their working days are
In any case they are very keen on maintaining their ident
Goans and the money they have sent to Goa has been a big

in the economy of the homeland. Other factors have been th
splendid port of Mormugao, which serves the Indian hinterlan
more than it serves Goa, and of late the increasing exports of irc
and manganese ores which are mined locally. The Indian Govern
ment has complained that a good deal of smuggling between th
Indian and the Portuguese frontier has been a further maj
source of income for Goa. It is likely that there has been a
increase in smuggling during the periods of Bombay's experimen
with prohibition, just as there has been an increase in the produ
tion of illicit liquor in the Indian Union itself; but Goa certain
did not rely on smuggling for an appreciable part of her income
the pre-war period, and it is questionable whether she needs suc
a source of income today.

It is inevitable, however, that a territory the size of Goa with
very much larger neighbour should find the latter at once its large
customer and its biggest source of supply. While Portugal takes o
per cent of Goa's exports and sends her 10 per cent of her impor
the Indian Union's shares in both are 40 per cent and 20 per ce
respectively. Indian capital operates freely in Goa and some of t
biggest mines are in Indian hands.

Portugal, on the other hand, can fairly claim that Goa is not
colony in the economic sense any more than in the politic
Except for a small expenditure on the Government agencies
Lisbon, Goa's budget is spent in Goa. Portugal spends large sur
on the area and under the new development programme t
equivalent of about £2 million sterling is to be spent on Goa
mainly to improve urban conditions, transport, and the harbour
Mormugao. One can see the province developing greatly in t
near future through the exploitation of its mineral wealth, throu
an increase in tourism, and, if normal trade conditions with Ind
are resumed, through the entrepôt trade of the port of Mormuga

DEMAND FOR 'LIBERATION'

Recent events have focused the spotlight of the world's press
Goa, and the army of foreign correspondents have not found ev
dence there of a desire to be rid of the Portuguese connectio
The people of the province are on the whole happy with their l
They are relatively free from want, thanks largely to the organiz
tion of village communities which reaches out, through the syste
of clubs, even to include Goan emigrants and sailors in shi
They have the freedom to enjoy themselves—and see clearly in t

influx of visitors from 'dry' Bombay that some people lack that freedom.

Indian opinion, on the other hand, has resented the continued existence of what it regards as a colony of a European Power in India, the possible value of that colony to the North Atlantic Treaty Powers, and—with more reason—the prevalence of smuggling across the frontier (which has naturally increased with the introduction of prohibition in Bombay). All these problems could be solved if the colony became part of India, and as a first step the 'liberation' movement had to be fostered inside Goa. Here India came up against the great difficulty of having to liberate a people who do not want liberation. The liberation movement was started (according to the former Indian Consul-General in Goa) with the entry into Goa in 1946 of the Hindu Socialist from India, R. M. Lohia. Despite further pepping up from India, it does not seem to have made great progress in Goa and all the heat has had to be turned on from outside.

'Indians cannot believe,' wrote *The Times* Special Correspondent last August, 'that most of the Goans do not know that they are repressed politically or care very much. And they are impatient with other kinds of freedom: freedom to waste time in cafés discussing American films or the latest shipment of neckties, or to squander the favourable trade balance on new gadgets. Indians are exasperated by people who prefer a good time to political principles and accept the advice of the village priest instead of the directives of the Government planning commission. The casual Goans must be saved from themselves.' The summing up contained in those lines could not be improved.

Support for the move to merge Goa into the Indian Union came from a number of quarters in India. Each Indian political party seems to have had its subsidiary party working for the eviction of the Portuguese, and the organization of private armies on a small scale to march on Goa must have been a source of great embarrassment to the Indian Government after it had started the agitation to end colonialism and declared that it supported liberation movements. Portugal's fears of violent aggression were based on the fact that hooligans and former members of the Indian National Army were known to be enrolling in the 'volunteer' forces. It soon became evident that the various 'liberation' parties were not likely to act together; for some, Goa had merely a nuisance value.

Goan support for a merger with India has come mainly from

ldle-class Goans long settled in India. No doubt these genuinely
: that land values in Goa will rise and the natural resources of the
itory will be more easily developed. They may think the right
criticize the administration a worth-while reward for the sub-
sion of their low-taxed country of origin to the high taxation
valent in India. Besides being caught up with the feeling that
a should be run by Asiatics, they may feel that their own posi-
n will be stronger as a community in India if they have their
n province in the Indian Union. (It might be mentioned that
ne of the Goans detained in prison in Goa for pro-merger acti-
ies have stressed that they aim at having an independent pro-
ce in India, distinct from Bombay.)

But there are many Goans in India who do not desire a merger,
d a Goan weekly published in Bombay supports the Portuguese
use. Goans in Pakistan have declared for Portugal, doubtless
ling that merger with India would make Goa difficult of access
m Pakistan. Opinions differ, and in other parts of the world it is
t more likely that Goans will wish for any change in the status of
ir homeland. In fact when, in the face of a number of notes from
ious countries and of the Portuguese proposal that neutral
servers be allowed to study the situation, India felt obliged to
strain non-Goans from taking part in the much-advertised march
o Goa on India's Independence Day, the number of pro-
rger Goans ready to take action proved to be a mere trickle and
t with little enthusiasm from inside Goa.

World opinion has prevented bloodshed in Goa, and Portugal,
lizing that the very existence of Goa depends on arrangements
ich will make it possible to co-exist with the Indian Union, has
posed talks in Delhi to cover the problems arising from the
ximity of the two States and the appointment of observers, and
s named her representatives for the talks. One may hope that the
dian Government will adhere to its present line of not allowing
n-Goans to take political action, but the pressure from its
tics of various political hues in India is considerable. What Goa
y get is a much-needed period for reflection and decision.

A very significant pointer to the way in which the minds of many
ans work is contained in a statement by the Cardinal Arch-
hop of Bombay (who happens to be a Goan) on Indian Indepen-
nce Day. Cardinal Gracias wrote as an Indian prelate when he
precated talk of religious intolerance in India and of any danger

feeling of uneasiness among Indian Christians and to the need make the men in power in India aware of this feeling.

Indian Christians, no less than Indian Muslims, have not overcome their suspicions of the people among whom they m live and work. It was this distrust on the part of the Muslims t led to the creation of Pakistan, and the majority community India today is still not trusted wholly by the minorities. Thousan of persons of the various Christian communities in India h emigrated. Many have gone to Goa. Assurances contained in Indian Constitution and promises uttered by idealistic leaders of no avail in the face of the actual practice of the people. U the Indian Union can point to a state of complete communal h mony within its own frontiers, it would be futile to expect people of a neighbouring State to want to exchange a fairly hap existence under a very mild dictatorship for citizenship of Ind Till such time it would be wise to proceed on the footing that G and India must coexist side by side and in the best spirit that two peoples can display.

B. E. H. F

PRINTED IN GREAT BRITA

AGENTS for 'THE WORLD TODAY' and 'CHRONOLOGY OF INTERNATIONAL EVENTS'

Orders may be sent to the addresses given below. Rates are for annual subscriptions and are given in the currencies of the countries concerned.

	The World Today	*Chronology (including index)*
USTRALIA		
ustralian Institute of International Affairs, Kurrajong ouse, 177 Collins Street, Melbourne, Victoria	32*s.*	32*s.*
AKISTAN		
akistan Institute of International Affairs, Frere Hall, arachi	Rs. 12	Rs. 12
OUTH AFRICA		
outh African Institute of International Affairs, 88 Fox treet, Johannesburg	25*s.*	25*s.*
NITED STATES and CANADA		
oyal Institute of International Affairs, New York ublications Office, 345 East 46th Street, New York 17	$5·00	$5·00

THE ROYAL INSTITUTE
OF INTERNATIONAL AFFAIRS

The Institute was founded in 1920 and is both unofficial and non-political. s objects, as set out in its Royal Charter, may be briefly summarized as follows:

To encourage the scientific study of international politics, economics, and jurisprudence.

To facilitate the exchange of information, knowledge, and thought on these subjects, and to provide and maintain means of information thereon.

To encourage the formation of branches and committees throughout the Commonwealth and Empire.

The principal ways in which the Institute fulfils these objects are research y individual authorities or by groups of experts; publications embodying iese and other researches; meetings and private discussions addressed by ading authorities; an Information Department which supplies the facts and gures on current international questions; a comprehensive collection of British id foreign Press Archives from 1915 onwards; and a Reference Library on iternational affairs.

Membership of the Institute, which is limited in number, is confined to ritish subjects who must possess an expert or a specialized knowledge of ome aspect of international affairs. Candidates for membership must be ominated by two members known personally to them.

The Institute is precluded by its Charter from expressing, as a body, an pinion on any aspect of international affairs, a ruling made in order to safe-uard its work from propaganda or political influence and to promote the free xpression of individual opinion.

JULY

Cross-currents in Western German Opinion
The Colombo Conference: Neutrality the Keynote
Stalinism in the Post-Stalin Regime: 'The Ministry of Truth' without 'Big Brother'
Towards an Atlantic Union

AUGUST

The European Defence Community: Problems of Ratification
The Sudan under the Sudanese: First Steps in Self-Government
Argentina's Economic Dilemma
Politics and Economics in Czechoslovakia: the Tenth Congress of the Czechoslovak Communist Party

SEPTEMBER

Cyprus: The Closed Issue?
President Eisenhower's Programme and the Congressional Campaign
The Salazar Regime and Goa
Brazil and her Expanding Economy
Some Characteristics of the Younger Generation in Western Germany

OCTOBER

France's Problems after the Rejection of E.D.C.
The German Approach to Convertibility
A Revival of Religious Feeling in the U.S.S.R.
The Indian and the Land in Latin America: a Remedy in Agrarian Reform

NOVEMBER

Military and Industrial Aspects of Atomic Energy
The Emergency in Malaya: some Reflections on the First Six Years
International Officials: a Question of Loyalties
Malta Today: Political and Economic Problems

Price 2s. per issue
(25c.)

ROYAL INSTITUTE OF INTERNATIONAL AFFAIRS
London: Chatham House, 10 St James's Square, S.W.1
New York: 345 East [illegible] Street, New York 17, N.Y.